Alberta Seniors and Housing

Annual Report
2016-17

Alberta
Government

Note to Readers:
Copies of the annual report are available on the Seniors and Housing website **www.seniors-housing.alberta.ca**

Alberta Seniors and Housing
Communications
3rd Floor, 44 Capital Boulevard
10044 – 108 Street
Edmonton, AB T5J 5E6

Phone: 780-644-2023
Toll free by first dialing 310-0000
Fax: 780-427-0418

ISBN 978-1-4601-3312-5

ISSN 2369-9981

June 2017

Alberta Seniors and Housing

Annual Report 2016-17

Contents

Preface 2

Minister's Accountability Statement 3

Message from the Minister 4

Management's Responsibility for Reporting 5

Results Analysis 7
- Ministry Overview 8
- Discussion and Analysis of Results 13

Financial Summary 23
- Results of Operations 23
- Revenue Highlights 24
- Expense Highlights 25
- Ministry Expense by Program 26

Financial Information 27
- Ministry of Seniors and Housing Consolidated Financial Statements 29
- Department of Seniors and Housing Financial Statements 53
- Alberta Social Housing Corporation Financial Statements 73

Annual Report Extracts and Other Statutory Reports 100

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, consolidated financial statements of the province, and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Seniors and Housing contains the Minister's accountability statement, the audited consolidated financial statements of the ministry, and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry, including the Department of Seniors and Housing and the Alberta Social Housing Corporation; and
- other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2017 was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at May 31, 2017 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Lori Sigurdson
Minister of Seniors and Housing

Message from the Minister

I am pleased to present the Seniors and Housing 2016-17 Annual Report on the work of my ministry. Our mandate is to provide a wide range of supports to seniors along with safe and affordable housing for Albertans.

We know that seniors are living longer and healthier lives and may have changing needs. Many are active and are working or volunteering for a longer period in their lives. Seniors tell us that with support they can stay at home longer, aging in their communities, close to family and friends.

While Alberta is a relatively young province, our population of seniors continues to rise faster than other age groups. There are now more than 540,000 seniors in Alberta. We estimate the province will be home to more than a million seniors in about a decade.

Over the past year, Seniors and Housing has continued to provide seniors with programs and services that make life better. One of our core programs, the Alberta Seniors Benefit, provided financial assistance to more than 150,000 seniors last year. Other programs offer health and personal supports or financial support for items like appliances or home repairs. In addition, seniors can also access a program to defer their property taxes to help them remain in their homes.

The ministry implemented the Seniors Home Adaptation and Repair Program to help seniors make the repairs or updates they need to remain at home. The response to the program has been strong and tells us there was a need for a practical and reasonable way to make life better for all Albertans.

Seniors and Housing also worked to address and prevent elder abuse, encourage age-friendly initiatives in Alberta communities and contribute to the development of accessible transportation options. All of these initiatives help make life better for seniors in our province.

In addition, I was pleased to appoint Dr. Sheree Kwong See as Alberta's Seniors' Advocate in September 2016. The Office of the Seniors' Advocate was established to provide information and resolution support to seniors and their families, provide advice to government, and identify trends and systemic issues impacting seniors.

My ministry provided housing support for about 118,000 low-income and vulnerable Albertans and continued the work to renew and replace our aging stock of seniors' lodges and to upgrade fire and safety systems in lodges and care facilities.

Our government continued its 2016 commitment to invest $1.2 billion over five years in affordable housing, including new affordable and seniors housing projects and extensive upgrades and renewals to existing buildings. We also engaged with 1,800 Albertans on a provincial affordable housing strategy and began work to update regulations under the *Alberta Housing Act*.

To help with housing needs in the Fort McMurray area following the devastating 2016 wildfire, we provided $1.1 million to provide a rental gap subsidy for displaced social housing clients, reimbursed various housing management bodies in other regions that provided accommodations to displaced area residents and supported increased housing options.

A lot was accomplished over the past year. I look forward to further work on these important initiatives supporting seniors and all Albertans.

[Original signed by]

Honourable Lori Sigurdson
Minister of Seniors and Housing

Management's Responsibility for Reporting

The Ministry of Seniors and Housing includes:

- the Department of Seniors and Housing; and
- the Alberta Social Housing Corporation

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Seniors and Housing. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – outcomes, performance measures and related targets match those included in the ministry's Budget 2016.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Seniors and Housing the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Kimberly Armstrong
Deputy Minister of Seniors and Housing
May 31, 2017

Results Analysis

Results Analysis

Ministry Overview

The ministry includes three divisions, Seniors Services, Housing, and Strategic Services, and the Alberta Social Housing Corporation (ASHC). Human Resources and Communications branches provide support services to the ministry.

The ministry's Housing and Seniors Services divisions deliver a number of distinct programs to meet the needs of Albertans. Delivering these programs together in one ministry creates opportunities for government to better integrate and align its policies and services for seniors and for Albertans in need of affordable housing options.

Key Program Areas - Housing

Pursuant to the *Alberta Housing Act* and associated regulations, the Ministry of Seniors and Housing is responsible for Alberta's seniors' lodges and social and affordable housing. Much of this work is done through ongoing relationships and partnerships with provincial housing providers. This includes the 102 housing management bodies (HMBs) that operate housing programs for the ministry throughout the province and over 350 municipalities and non-profit and private for-profit housing providers.

During the 2016-17 year, the Alberta government provided support for 70,000 households. A total of approximately $327 million in operating funding was provided to existing programs. This includes the approximately 47,000 units owned and supported by the ASHC and operated by public HMBs. The replacement value of these housing units is estimated at more than $7 billion. Government is committed to renewing existing affordable housing units and building new housing to meet Albertans' needs, and to meet that commitment, the ministry's Capital Plan budget was increased in 2016. The *Budget 2016 Capital Plan* allocated $1.2 billion over five years to invest in capital requirements.

※ Housing Programs and Activities

Rent Supplement Programs
The Private Landlord Rent Supplement program and Direct to Tenant Rent Supplement programs are administered by HMBs. They provide financial assistance to households in need to obtain and maintain affordable and suitable rental accommodation.

Community Housing Program
Rent-geared-to-income rental housing is provided through HMBs for low and moderate-income individuals and families.

Seniors' Self-Contained Housing Program
Apartment-type accommodation is provided through HMBs to low and moderate-income seniors who are able to live independently.

Seniors' Lodge Program

The lodge program provides supportive housing services through HMBs to low and moderate-income seniors, including all meals, weekly housecleaning, recreation opportunities and 24-hour staff onsite to functionally independent seniors.

Special Needs Housing

The ministry works with the federal government to provide funding to HMBs and non-profit organizations for special needs housing options such as group homes for persons with disabilities. These housing options may include support services for residents with health issues or disabilities and victims of family violence and wards of the provincial government.

※ Capital Initiatives

Fire and Safety

The province has committed $80 million to address fire code and safety issues (including the installation of sprinklers and associated fire alarm systems) in identified government-owned and supported seniors' lodges and continuing care spaces. The upgrade project began in 2015-16 and work continues to ensure that senior Albertans have safe accommodations.

Maintenance and Preservation

The government is committed to preserving and maintaining existing housing stock to ensure that Albertans have appropriate housing options. In 2016-17, Seniors and Housing spent approximately $35 million on maintenance for government-owned facilities.

Sustainable Renewal Initiative

As of 2016-17, through capital plan funding, the provincial and federal governments have committed $520 million to develop or modernize approximately 2,260 community housing, seniors' self-contained and lodge units across the province. HMBs and municipalities are additionally contributing over $50 million toward these units.

Four projects were completed in 2016-17; the Prairie Rose Lodge in Milk River and the first phase of each of the Bar-V-Nook Manor in Smoky Lake, Rosealta Lodge in Camrose, and Gilchrist Gardens in Calgary. In addition, three demolition projects were undertaken in preparation for rebuilding: community housing in Edmonton's Londonderry area, community housing units in Calgary's Southview area and the Flagstaff Lodge. Currently, 40 projects are underway in varying stages of construction, with the majority nearing completion in 2017-18.

New Affordable Housing Supply

As of 2016-17, through capital plan funding, the provincial and federal governments have committed $281 million for additional new housing units in the system. These investments will provide more affordable housing options for Albertans. Seven new projects were approved in 2016-17, including the Fourth Dimension Project in Calgary and a number of Habitat for Humanity projects. Currently, all seven projects are underway in varying stages of development.

Flood Recovery Efforts for First Nations Housing
Seniors and Housing continues to support the Ministry of Indigenous Relations and the Disaster Recovery Program as it responds to the effects of the 2013 flood on the Siksika and Stoney First Nations. This includes inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations. Seniors and Housing administered the projects to repair and replace 539 houses on the Stoney Nation and replace 13 houses on the Siksika Nation.

Fort McMurray Housing
To meet housing needs in the Fort McMurray area since the 2016 wildfire, the provincial government has provided $1.1 million to the Wood Buffalo Housing Development Corporation (WBHDC) to increase the number of four-bedroom units through additions to three-bedroom townhouses to include a basement, assist in repairs of damaged sewer systems of an affordable housing property, and to support intake of interim housing applications and assist with case management services.

Government also agreed to provide a rental gap subsidy, to a maximum of $22,000 per month, to WBHDC for displaced social housing clients of Beacon Heights who were moved to affordable housing units, which have a higher rental rate. This agreement is retroactive to July 2016 and will remain in place until the social housing units in Beacon Heights are repaired and tenants are asked to move back into their units.

Several HMBs in other regions provided accommodations to displaced residents of the Fort McMurray area wildfires for two to three months. Government approved over $200,000 in reimbursements to these nine HMBs for increased costs associated with housing the displaced residents.

Key Program Areas - Seniors Services

Alberta is currently home to over 540,000 people age 65 and older, approximately 12 per cent of Alberta's population. Alberta's seniors are vibrant members of local communities who contribute to the well-being and social fabric of the province through sharing their wisdom, knowledge and experience. Every day the number of seniors in Alberta grows by close to 65 people. According to current projections, there will be approximately one million seniors in Alberta by 2030. A number of ministry financial assistance programs are offered to make life better for Alberta's seniors, including the Alberta Seniors Benefit, Special Needs Assistance for Seniors, Seniors Property Tax Deferral, and the Seniors Home Adaptation and Repair program, all of which provide direct financial assistance to seniors.

※ Seniors Financial Assistance Programs

Alberta Seniors Benefit (ASB)
ASB is an income-based program supporting lower-income seniors. This financial benefit is intended to supplement the federal government's Old Age Security and Guaranteed Income Supplement programs. Currently, each month about 150,000 Alberta seniors receive ASB.

Supplementary Accommodation Benefit (SAB)
The ASB program also provides the SAB to about 12,500 lower-income seniors residing in long-term care or designated supportive living facilities. This benefit ensures these individuals have $315 disposable income each month after paying care facility accommodation charges.

Special Needs Assistance for Seniors (SNA)
SNA is unique to Alberta. This program provides lower-income seniors with financial assistance to help with some of the costs of household items like appliances and a range of health and personal supports. On July 1, 2016, financial support for home repairs was shifted to the Seniors Home Adaptation and Repair Program. Approximately 31,000 Alberta seniors accessed SNA in 2016-17.

Seniors Property Tax Deferral (SPTD)
SPTD is a program that allows seniors to defer all or part of their property taxes through a low-interest home equity loan with the Alberta government. Government pays the property taxes on the senior's behalf, and then the senior repays the loan when the home is sold or sooner if they wish. The program frees up money for other expenses and helps seniors maintain independence in their homes and communities.

Seniors Home Adaptation and Repair Program (SHARP)
Introduced on July 1, 2016, SHARP allows eligible seniors to finance home repairs and adaptations through a low-interest home equity loan with the Alberta government. Lower-income seniors who are not eligible for the loan (e.g., have insufficient equity) may receive a grant for basic and essential home repairs. Eligible repairs and adaptations include those that support the maintenance, structural integrity and energy efficiency of the home. In addition, modifications for the health, safety or mobility of the residents are all eligible.

※ Engagement with Seniors, Stakeholders and Communities

Seniors and Housing engages with government and community partners to develop strategic policy initiatives, and provides information on programs and services for seniors, their families, and service providers.

Elder Abuse Awareness
The ministry works to promote the safety and wellbeing of Alberta's aging population by leading initiatives aimed at preventing elder abuse.

Seniors' Events and Initiatives
The ministry partners with stakeholders to deliver events such as Seniors' Week, the Minister's Seniors Service Awards, and the Grey Matters Conference. The purpose of the events is to recognize, celebrate and support seniors, as well as seniors services agencies.

Alberta's Age Friendly Communities Initiative
The ministry encourages and supports Alberta communities in becoming age-friendly. Citizens in age-friendly communities are supported in maintaining their independence and preventing illness and injury. Access to the supports and services required to age in their chosen communities is key to healthy living. The initiative includes information workshops, resources, and the Age Friendly Alberta Recognition Program. The ministry also strives to encourage and contribute to the development of affordable and accessible transportation options.

Seniors' Advocate

Alberta's Seniors' Advocate provides information to seniors and their families on issues related to government-funded programs, supports and services. The Advocate also advises government on the issues seniors and their families are facing. Dr. Sheree Kwong See was appointed as Seniors' Advocate effective September 2016, following an open and transparent recruitment process. The Seniors' Advocate reports directly to the Minister of Seniors and Housing. She provides the Minister with an annual report summarizing the Advocate's activities in that year. This report is tabled in the Legislative Assembly.

Update on Strategic Risks

Two outcomes were identified in the *2016-19 Seniors and Housing Business Plan*: "Seniors are safe and able to remain independent in their chosen communities", and "Appropriate housing and housing supports will be available to those most in need." The *2016-19 Business Plan* identified some of the risks that could potentially impact the ministry's ability to make progress on these outcomes.

Alberta continues to face difficult economic circumstances stemming from low oil and gas commodity prices. These economic conditions may, over time, result in increased need for ministry housing and benefit programs such as the Alberta Seniors Benefit and Special Needs Assistance. While demand for ministry programs has remained steady, the ministry will continue to monitor any changes in the economic environment. We are committed to ensuring strong investments and supports for housing and seniors programs.

Unexpected changes to funding levels or eligibility requirements for programs provided by other orders of government could potentially result in expectations for the ministry to change its benefit programs funding and eligibility requirements. For 2016-17, there were no changes instituted by other levels of government that necessitated such adjustments.

These risks will also continue to be monitored and have been carried over into the *2017-20 Seniors and Housing Business Plan*.

Outcome One: Seniors are safe and able to remain independent in their chosen communities.

※ Performance Measure: Fire and Safety Upgrades

Performance Measure	Actual 2014-15	Actual 2015-16	Actual 2016-17	Target 2016-17
1.a Fire and Safety Upgrades: percentage of residents whose accommodations are equipped with sprinklers, in accordance with the provincial building codes.				
• Government-owned and supported seniors lodges	41.9%	46.0%	51.0%	65.0%
• Continuing care facilities	90.2%	90.9%	N/A	95.0%

Methodology

Seniors and Housing's lodge program provides congregate living environments for seniors who wish to live independently without the demands of maintaining a house. A cornerstone of the public housing system in Alberta, the majority of lodges were built between 1960 and 1980. Provincial building code standards have changed significantly since that time. When appropriate fire and safety mechanisms exist within facilities, residents' safety and survival is much improved. The fire and safety upgrades that are underway are tracked in this Performance Measure and reflect the department's commitment to provide safe living options for seniors by equipping and modernizing sprinkler systems in lodges. The percentage is calculated by dividing the total number of lodges with completed sprinklers by the total number of lodges that participated in the initial survey. A completed lodge is defined when a certificate of substantial performance is provided. This information is then used to determine the percentage of residents in Alberta who have sprinklers installed in accommodations.

A similar calculation is made using data from Alberta Health Services to illustrate the percentage of continuing care spaces/residents that have up-to-code sprinkler systems. The total number of continuing care facilities and the number of facilities that have been completed over the fiscal year are used to then calculate the percentage of residents who are housed in accommodations with sprinkler systems. Each year, both the total number of continuing care spaces and the facilities with completed sprinkler installations increases as new buildings come on stream that are up to the current fire and safety code and work is completed on existing accommodations to also bring them up to code. Data for continuing care facilities for 2016-17 is not available.

Please note that Seniors and Housing previously managed the Affordable Supportive Living Initiative (ASLI) grant program, providing funding to build continuing care and supportive living facilities. However, the Ministry of Health is responsible for the provision of continuing care to Albertans, and on April 1, 2016, the ASLI program was transferred from Seniors and Housing

to Health. The continuing care facilities portion of the measure no longer reflects Seniors and Housing's progress and performance, and was not included in the *2017-20 Seniors and Housing Business Plan*. The portion of the measure related to residents in government-owned and supported lodges remains a measure of progress for Seniors and Housing. It is included in the *2017-20 Seniors and Housing Business Plan* and will be reported on in the ministry's 2017-18 Annual Report.

Data Source

The data on government-owned and supported seniors' lodges is obtained from the Housing Access Link (HAL) database and ministry records. The data is updated monthly to report the progress and status of each project. These numbers are then validated directly with facilities and lodges to ensure accuracy.

Data for continuing care and supportive living spaces is collected and maintained by Alberta Health Services. Seniors and Housing maintains internal records tracking sprinkler installations and installation contracts.

Analysis of Results

While the 51 per cent actual result does not meet the target of 65 per cent for government-owned and supported lodges for 2016-17, progress has been made in making these accommodations safe for residents. In the first year of the program, the ministry concentrated on assessment of needs and project prioritization, developing contracts with HMBs, and awarding contracts to industry. Variables like capacity within the industry to complete the work, weather, availability of skilled labour and other potential issues may cause projects to be delayed or evolve as requirements change. In addition, the list of identified projects may also change as larger capital planning decisions related to renewal and regeneration of the portfolio are considered on an ongoing basis. As a result, progress on installation had been delayed, but is now moving forward. A majority of the government-owned lodges and several of the government-supported lodges owned by HMBs and continuing care spaces (upgraded under contract with Alberta Health Services) are currently nearing completion. It is expected that the government-owned lodges identified for installation will be completed in 2017-18, with a significant portion of government-supported and continuing care spaces also completed.

The most recently confirmed data on the percentage of residents in continuing care facilities with sprinklers in their units is from 2015-16. For this reason, as noted above, it is the 2015-16 actual result of 90.9 per cent that is measured against the 2016-17 target of 95 per cent, which indicates some limited progress. Similar to the lodge work, delays in the assessment of required upgrades, developing contracts with Alberta Health Services, awarding of contracts to industry for installation, and the required project planning time meant progress was modest in the first year. Work is now well underway, and all of the government-owned continuing care facilities identified for Installation but not for demolition and replacement are expected to be completed before the end of 2017-18. The remainder will be completed as larger renewal and renovation capital planning projects are considered.

※ Key Strategies

1.1 Increase Albertans' awareness of elder abuse and support coordinated community response models that address and prevent elder abuse.

Preventing and addressing elder abuse is an ongoing priority for the ministry. With the understanding that all sectors and citizens have roles in preventing and addressing elder abuse, Seniors and Housing works with a variety of stakeholders to increase awareness and help Albertans recognize elder abuse and know where to go for help. The ministry strives to ensure information about all programs is delivered to seniors and all communities. In 2016-17, ministry staff provided over 325 presentations, displays and other events about seniors programs, including services available to address elder abuse, throughout the province.

Seniors and Housing has provided training to front-line service providers throughout Alberta to increase knowledge and awareness about elder abuse prevention and how to respond to the needs of those impacted. Since 2012, over 1,200 service providers have received training, including "train the trainer" sessions for 200 service providers that certified them to deliver training in their communities or sectors. In addition to the training focused on service providers, in 2016-17 Seniors and Housing provided presentations, workshops, and events to over 225 seniors and service providers to raise awareness about elder abuse and where seniors can go to find help.

In 2016-17, ministry staff collaborated with Indigenous communities to develop customized training on elder abuse. Three elder abuse workshops were delivered for Samson Cree, Enoch Cree, and Tribal Chief Ventures, which represents six First Nations in Northeast Alberta. A train-the-trainer session was also customized for Metis Settlements.

The ministry supported capacity-building in communities around the province through the Taking Action Against Elder Abuse Coordinated Community Response Grant Program by providing funding to develop or enhance coordinated response models to address and prevent elder abuse at the local level.

In 2016-17, funding was provided to 25 communities through this grant program. Ministry staff worked closely with these communities to support the development of their coordinated community response model for elder abuse prevention. The ministry also supported organizations involved in the grant program by delivering six training events customized to address elder abuse from a coordinated community response perspective.

Projects approved for grant program funding in 2017-18 will include a few new communities. Ministry staff will continue to work closely with all coordinated community response models to support their ongoing development.

1.2 Continue to meet provincial building code standards by upgrading fire and safety in government-owned and supported seniors' supportive living accommodations.

Alberta Seniors and Housing is committed to enhancing the safety of seniors in the province by completing the upgrade of 4,800 seniors lodge units and 1,800 government-supported continuing care spaces. To accomplish this, the ministry conducted an assessment of the spaces to prioritize projects and entered into a competitive request for proposal process before awarding contracts to begin the work in 2015-16. With the contracts and grant agreements in place, the goal is to upgrade all identified government-owned lodge units and continuing care spaces by the end of 2017-18, with the expectation that the remaining government-supported lodge units will be completed under grant agreements with HMBs shortly thereafter.

1.3 Provide individual and community-based supports that empower seniors to remain independent and fully participate in their chosen communities.

Supports for Independence

The ministry assisted Alberta seniors to remain independent and participate in their chosen communities in a number of ways in 2016-17. Some highlights include:

- More than 150,000 seniors received monthly payments from the Alberta Seniors Benefit, totaling $270.9 million.
- About 31,000 seniors received benefits from the Special Needs Assistance for Seniors program, totaling $24.7 million.
- The Seniors Home Adaptation and Repair Program (SHARP) has received over 1,000 applications and paid out more than $7.1 million in loans and about $350,000 in grants between the program's inception in July 2016 and March 31, 2017. The average loan amount was approximately $13,000.
- The Seniors Property Tax Deferral program also provided approximately 1,950 low-interest home equity loans in 2016-17, and approximately 6,800 loans since 2013 when it was introduced to aid seniors in remaining independent in their own homes.
- An average monthly Supplementary Accommodation Benefit of $485 was provided to approximately 12,500 seniors who live in long-term care and designated supportive living facilities. This benefit ensures they have at least $315 remaining in disposable income each month after paying care facility accommodation charges.
- Seniors' Self-Contained Housing provided $4.5 million in operational support to HMBs, assisting 15,000 seniors living in approximately 14,200 self-contained units.
- Alberta Seniors and Housing provided $41 million to HMBs providing accommodations for 11,000 seniors living in more than 10,000 lodge units.

Keeping Seniors Informed

To ensure Alberta's seniors are aware of any benefits for which they may be eligible, Alberta Health sends all Albertans information and a Seniors Financial Assistance application package three months before they turn 65. Through this single application, seniors are able to enroll into Seniors Financial Assistance programs, Alberta Health's Dental Assistance and Optical Assistance programs, and Alberta Blue Cross Coverage for Seniors.

Seniors also require access to consistent and accurate information on the programs and services available to them. To meet that need, the ministry produces the *Alberta Seniors Programs and Services Information Guide*. In 2016-17, about 40,000 copies of the Guide were distributed to Albertans by mail. It is also available on the Seniors and Housing website.

Transportation Options

Affordable, accessible transportation helps seniors stay healthy, active and able to remain in their communities, close to family and friends. The Alberta government is working with municipal partners, the University of Alberta's Medically At-Risk Driver (MARD) Centre and other stakeholders to promote age-friendly initiatives that boost transportation options in our communities. With funding assistance from Seniors and Housing, the MARD Centre has developed a Toolkit for the Implementation of Alternate Transportation for Seniors in Alberta.

The Toolkit is a free resource that provides guidance to communities on creating their own transportation programs. In addition to the Transportation Toolkit, MARD will also undertake six new projects over the next three years supported by grant funding from Seniors and Housing. This includes work in rural and remote communities, providing assistance in improving the transportation options available to seniors. Thus far, the communities of Wetaskiwin and Pincher Creek have received funding for pilot projects. The remaining pilot projects will be initiated later in 2017.

Grant funding was provided in October 2016 to the Edmonton Seniors Coordinating Council to support the LIFT Drive Happiness Coordinating Committee in their efforts to develop a Centre of Excellence and Collaboration Hub, improving transportation options for seniors in the greater Edmonton area. The results and learnings from this grant funding will be beneficial to all communities in Alberta in their exploration and efforts to address the challenge of transportation.

Celebrating Seniors and Their Communities

The ministry co-hosts the annual Grey Matters Conference, which supports front-line staff from agencies and organizations across the province that provide supports and services to seniors. Over two days, attendees have opportunities to network with colleagues and learn new information and approaches to meeting seniors' growing needs. The 2016 conference, co-hosted with the City of Grande Prairie, County of Grande Prairie and Northern Alberta Development Council, had the highest conference attendance yet — over 390 people.

The Alberta government also proclaims Seniors' Week, held in the first full week of June each year, to celebrate seniors and their contributions to the province. 2016 marked the 30th anniversary of Seniors' Week in Alberta. From June 6-12, 2016, hundreds of different events took place in communities throughout Alberta, including barbeques, dances, information fairs, and pancake breakfasts. Over 200 community events were registered on the online Seniors and Housing Events Calendar, and 37 municipalities showed their support for local seniors by officially proclaiming Seniors' Week.

Seniors' Week was inspired by Alice Modin, a Strathcona County resident who urged the county to establish a seniors' day. What was originally a one-day event in one local county celebration is now a province-wide week of festivities. In recognition of her work, a new award to honour the contributions of Alberta's seniors was established on March 30, 2017. The Alice Modin award will be presented with the Minister's Seniors Service Awards to a senior, age 65 and over, who has given at least 20 years of volunteer service to their community.

The annual Minister's Seniors Service Awards recognize Albertans volunteering their time to make a difference in the lives of seniors. Sixty-three nominations were received in 2016 and five community celebrations were held to recognize them. On September 28, 2016 at Government House, eight outstanding individuals and organizations received awards.

The ministry also provided grant funding to Alberta Innovates to support its work with the Brenda Strafford Foundation to implement and evaluate two Dementia Friendly Community Initiatives in Calgary and Okotoks. These initiatives will engage and educate community stakeholders regarding dementia to support stigma reduction and removal of barriers experienced by people living with dementia in the community. The project will help leverage best practices related to community support in other jurisdictions and empower communities in Alberta to apply a Dementia Friendly Community model.

1.4 Support Health in the creation of 2,000 public long-term care spaces over the next three years.

The ministry continues to assist Alberta Health in the development of designated supportive living spaces. Seniors and Housing provides collaborative investment in lodge redevelopments and reporting on projects that began under the ASLI program and are still in construction. The two ministries are working togther to identify where joint investments can be made to invest in more designated supportive living spaces more efficiently.

Outcome Two: Appropriate housing and housing supports will be available to those most in need.

※ Performance Measure: Facility Condition Index

Performance Measure	Actual 2012-13	Actual 2013-14	Actual 2014-15	Current Actual 2015-16	Target 2016-17
2.a Housing facilities condition index (FCI)					
• Percentage in good condition	39.6%	33%	32%	33%	34%
• Percentage in fair condition	55.5%	62%	63%	63%	62%
• Percentage in poor condition	4.9%	5%	5%	4%	4%

Methodology

This performance measure illustrates the overall condition of Alberta's government-owned or supported housing assets. Assessed housing stock is categorized as in "good", "fair" or "poor" condition, and the percentage in each category is then calculated.

To arrive at these numbers, first the condition of each government-owned or supported housing asset is assessed and rated. The assessed facility condition rating is then combined with values for deferred maintenance cost and inflation, to create a new Facility Condition Index (FCI) percentage value. The FCI is the ratio of repair to replacement costs (i.e., cost to correct current and future physical condition deficiencies, relative to current facility replacement values). This method of calculating the condition of housing assets is an industry standard and is used in other provincial jurisdictions to measure overall condition of government-owned facilities.
The percentages for each category in the measure are calculated by taking the number of all facilities in good, fair or poor condition and dividing each by the total number of all audited facilities. As assessments are conducted over multi-year cycles, the results for any facilities that have been reassessed in each new cycle will replace the results from the former cycle.

Data for this measure does not become available until about a year after the end of the fiscal year in which it is observed. As such, data for 2016-17 will become available in April 2018, and the most recent data currently available for comparison is that from 2015-16.

Data Source

Seniors and Housing provides the Ministry of Infrastructure with an inventory listing of all housing facilities to be assessed. Infrastructure completes the assessments and calculations for each housing asset, assigns the rating, and sends a full report to Seniors and Housing.

Analysis of Results

The FCI assists Seniors and Housing in making decisions regarding investment in maintenance, regeneration and renewal. The roll-out of investments over multiple years and the collection of facility condition data over a multi-year cycle means that investments in the portfolio may not always be captured in any one annual reporting period. Rather, investments made over the multi-year cycle may only be reflected in the following cycle.

The reported percentages for 2013-14 and 2014-15 have been stable, and the actual for 2015-16 notes a one per cent improvement in the percentage of "poor" stock. This is consistent with the target set for 2016-17. The purpose of the measure is to illustrate a consistent stock of "good" and "fair" housing assets while maintaining a low percentage of "poor" assets. The ministry has maintained 96 per cent of the housing stock in the "good" and "fair" categories, with only four per cent of housing stock assessed as in "poor" condition for this reporting period.

Alberta's government-owned or supported housing assets have an estimated deferred maintenance cost of over $1 billion, reflected in the "fair" and "poor" FCI category ratings. Many buildings in the owned and supported portfolio are between 30 and 60 years old, with increasing maintenance costs. To support the replacement of property systems and components at or near the end of their useful life in Alberta Social Housing Corporation-owned facilities, the ministry provided $38.2 million in 2016-17 for facility maintenance and health and safety expenditures.

In addition, Seniors and Housing invested approximately $140 million in 2016-17 to regenerate and renew the aging facilities in its portfolio. These investments encompassed major renovations, replacements and additions to government-owned or supported seniors lodges and other social housing, operating pursuant to the *Alberta Housing Act* or under long-term operating agreements.

Looking forward, the *Budget 2017 Capital Plan* allocates $258 million to building maintenance and upgrades over the following four years. This aligns with the goal of annually increasing investment to reflect one per cent of replacement value in maintenance. This is the level of funding needed to ensure the continued functional viability of housing assets and minimize the operating impact of the diminishing condition of buildings. This investment strategy is expected to increase the number of buildings progressing from "poor" to "fair" and "fair" to "good" condition over the next year and into the future.

The Capital Plan also dedicates $489 million towards the systematic replacement of units to ensure the portfolio is properly rejuvenated with consideration for asset life cycles and current age and condition of facilities. Seniors and Housing further anticipates this will also improve results in this measure.

※ Key Strategies

2.1 Review the regulations under the *Alberta Housing Act*.

Throughout 2016-17, the ministry worked on reviewing and developing options for updating and modernizing the regulations under the *Alberta Housing Act*. The options developed were discussed as part of a larger discussion on more affordable housing options for Albertans and the creation of a new Provincial Affordable Housing Strategy.

The Provincial Affordable Housing Strategy, expected to be announced in summer 2017, will guide the development of an effective and sustainable affordable housing system, now and in the future. Updated regulations will improve how affordable housing is delivered and administered.

More than 1,800 Albertans took part in surveys and public engagement sessions across the province and online to assist the department in updating the regulations and developing the Provincial Affordable Housing Strategy. This feedback was instrumental in shaping the way forward. When the Strategy is announced, Seniors and Housing will collaborate with stakeholders on implementation of specific actions included in the strategy.

2.2 Work with municipal and federal governments to provide affordable housing options for Albertans, including off-reserve Indigenous populations.

Over the past year, Seniors and Housing has consulted with housing providers, municipalities and other provincial jurisdictions to consider how to best develop and deliver sustainable affordable housing.

Seniors and Housing established and led a Collaborative Table on Affordable Housing with Edmonton and Calgary and three other ministries (Community and Social Services, Health and Municipal Affairs) to make life better for Albertans in need of affordable housing and related supports through an ongoing commitment to collaborate on and inform affordable housing matters of common interest, including homelessness. The planning table established a terms of reference and agreed to work on a variety of issues of mutual concern.

During the year, government signed a Canada-Alberta Social Housing Agreement with the federal government, replacing 17 cost-shared agreements with varying conditions and expiry dates. The new agreement allows Alberta greater flexibility to adapt its housing programs to the needs of Albertans, as it has full ownership and control over social housing properties and programs previously jointly administered with the federal government. In addition, the provincial government signed an amendment to the Investment in Affordable Housing Agreement, as part of the federal government's Social Infrastructure Fund, which provides additional funding in 2016-17 and 2017-18 in support of the province's affordable housing capital initiatives.

Seniors and Housing also held discussions with several Indigenous and Indigenous-serving organizations to inform a June 2017 engagement process to examine the affordable housing needs of Indigenous peoples living off-reserve. This engagement process will inform an off-reserve affordable housing program for Alberta. This work is part of the ministry's commitment to implementing the principles and objectives expressed in the *United Nations Declaration on the Rights of Indigenous Peoples*.

2.3 Collaborate with housing management bodies and other housing providers to enhance operational capacity and to maintain and renew government-owned and supported housing.

Throughout the last year, the ministry worked with each of Alberta's 102 HMBs to build closer relationships and achieve a number of operational efficiencies. In particular, the ministry partnered with HMBs to implement new, standardized business plan processes. HMBs now submit updated three-year business plans as required under the *Alberta Housing Act*.

Seniors and Housing has continued to further enhance compliance and reporting activities for HMBs such as waitlist and client reporting to better understand financial and capacity issues throughout the province. Field compliance reviews were completed for more than 30 housing providers last year. These reviews validate compliance with program legislation and agreements. Work continues with housing providers to build capacity and improve service for Albertans living in affordable housing.

The ministry, with input from housing providers, develops capital plans for new capital projects as well as the preservation and renewal or replacement of government-owned and supported housing. There were 42 active major capital projects in 2016-17, 10 of which were substantially completed and occupied. This added over 340 (net) new or functionally improved affordable housing units into the overall supply.

Capital maintenance and renewal funding is allocated to ensure critical maintenance is performed and facilities meet minimum requirements and standards. Where aging facilities can no longer be maintained to these requirements and standards in an efficient and cost effective manner, and the need for housing is ongoing, the department works to regenerate or replace the facility as funds become available. In 2016-17, over $80 million was allocated to over 2,400 health and safety, maintenance and preservations projects across the province.

During the last reporting period, two new HMBs were created:

- Homeland Foundation was created through the requested consolidation of Sturgeon Foundation and Westlock Foundation; and
- Boreal Housing Foundation was created through the requested consolidation of High Level Housing Authority and Mackenzie Housing Management Board, and includes representation from the four First Nations in the area.

In addition, the Legion West Heritage Society HMB was dissolved, with one project from its portfolio transferred to Rocky View Foundation and the remaining three projects transferred to Calgary Heritage Housing.

2.4 Support the Department of Labour in implementing the Government of Alberta strategic response to Syrian refugees.

Seniors and Housing continues to work with the federal government, settlement agencies and housing providers to ensure Syrian refugees coming to Alberta have adequate housing and supports. Since November 2015, Alberta has welcomed over 4,900 Syrian refugees. Seniors and Housing continues to work closely with the Ministry of Labour to prepare housing options that support refugees arriving in the province.

Financial Summary

(millions of dollars)

Results of Operations

For the Year Ending March 31, 2017

2016-17 Financial Analysis

	Budget	Actual	Difference	Variance Explanation
Total Revenue	$ 91.1	$207.1	$116.0	Increases from the new Social Housing Agreement (SHA), as well as recognition of previously deferred cost-matched revenue related federal agreements.
Expenses Operating	643.9	730.7	(86.8)	Re-profile of capital investment to capital grants and increase in federal agreements.
Capital Investment	259.0	141.1	117.9	Re-profile of capital investment to capital grants and increase in federal agreements. Various affordable and seniors housing project timelines will carry forward into future years.
Total Expenses	$902.9	$871.8	$31.1	

Revenue Highlights
(millions of dollars)

	2016-17 Budget	2016-17 Actual	2015-16 Actual
Transfers from the Government of Canada	$79.4	$133.8	$82.6
Investment Income	2.2	2.7	1.9
Other Revenue	9.5	70.6	64.4
Total Revenue	$91.1	$207.1	$148.9

Total revenue for the ministry in 2016-17 was $207.1 million, an increase of $58.2 million from the previous fiscal year.

The Transfers from the Government of Canada increased by $51.2 million over the previous fiscal year primarily due to the transfer of federally-owned assets as part of the new Social Housing Agreement.

Other Revenue increased by $6.2 million over the previous fiscal year which is primarily greater donations of land and buildings as part of the new Social Housing Agreement. This is offset by reduced Housing Management Body audit adjustments in 2015-16 and higher prior year refund of affordable housing grants made in 2015-16.

Expense Highlights
(millions of dollars)

	2016-17 Budget	2016-17 Actual	2015-16 Actual (restated)
Seniors Services	$35.6	$32.9	$34.2
Alberta Seniors Benefit	357.3	357.1	348.5
Housing	12.2	11.0	9.5
Alberta Social Housing Corporation	229.6	320.7	212.8
Ministry Support Services	9.2	9.0	8.4
Debt Servicing	6.1	6.1	8.3
Total Operating Expenses	$650.0	$736.8	$621.7

The ministry's total operating expenses in 2016-17 were $736.8 million, an increase of $115.1 million from the previous year.

Programs like Alberta Seniors Benefit and Special Needs Assistance for Seniors (in Seniors Services) help low-income seniors by providing supplemental income and other financial supports. The increase in expenditures for Alberta Seniors Benefit are mainly due to provisions to protect low-income seniors from long-term care rate increases and an additional number of seniors benefiting from these programs.

The Alberta Social Housing Corporation $107.9 million increase in expenses from the previous fiscal year is primarily due additional funding provided in the approved 2016-17 capital plan and re-profiling during the year to fund additional capital grants for nongovernment-owned projects. There was also an increase in federal funding for Special Needs Housing as part of the new SHA. The increase of $91.1 million from budget is primarily due to re-profiling from capital investment to capital grants to provide additional funding for nongovernment-owned projects, as well as increased funding from federal agreements.

Capital Investment

The ministry, through the Alberta Social Housing Corporation, also spent a total of $141.1 million toward capital investment. The majority of this investment is for facility preservation and capital maintenance within seniors' ($125.8 million) and family housing ($14.2 million).

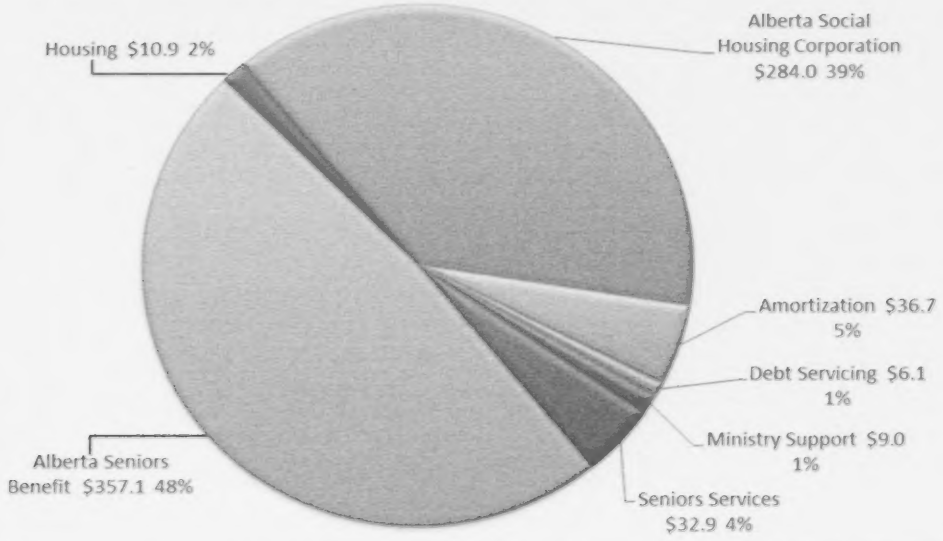
The variance to the budget was due to some project planning delays and construction delays, particularly around new funding approved in the *Budget 2016 Capital Plan*. This $47.8 million in funding and the associated projects will be carried forward into future fiscal years. There was also re-profiling of $70 million from capital investment to capital grants to provide additional funding for nongovernment-owned projects.

Ministry Expense by Program
(millions of dollars)

The ministry spent $357.1 million (48 per cent of expenditures) on the Alberta Seniors Benefit program, the majority of which is grants and includes the accommodation supplement for residents of long-term care and designated supportive living and operations. Expenses to provide low income seniors with additional supports such as grants under the Special Needs Assistance for Seniors and Seniors Home Adaptation and Repair programs, and enabling community-based initiatives such as abuse shelters for seniors and local elder abuse response, totaled $32.9 million (4 per cent) under Seniors Services.

The Alberta Social Housing Corporation spent $284.0 million (39 per cent) to provide affordable living to low income Albertans and emergency housing while the Housing Program spent $10.9 million (2 per cent) to provide operational support to the Alberta Social Housing Corporation. The remainder of the ministry's expenses went to amortization of capital assets (5 per cent), $6.1 million (1 per cent) in debt servicing, and $9.0 million (1 per cent) in support services. ASHC ($284.0 million), Amortization ($36.7 million) and Debt Servicing ($6.1 million) make up the total ASHC expense of $326.8 million.

Operating Expense, by Program - $736.8 Million


Housing $10.9 2%
Alberta Social Housing Corporation $284.0 39%
Amortization $36.7 5%
Debt Servicing $6.1 1%
Ministry Support $9.0 1%
Seniors Services $32.9 4%
Alberta Seniors Benefit $357.1 48%

Financial Information

MINISTRY OF SENIORS AND HOUSING

Consolidated Financial Statements

March 31, 2017

Independent Auditor's Report
Consolidated Statement of Operations
Consolidated Statement of Financial Position
Consolidated Statement of Change in Net Financial Assets
Consolidated Statement of Cash Flows
Notes to the Consolidated Financial Statements
Schedule 1 - Consolidated Revenues
Schedule 2 - Consolidated Expenses - Directly Incurred Detailed by Object
Schedule 3 - Consolidated Allocated Costs
Schedule 4 - Related Party Transactions

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Seniors and Housing, which comprise the statement of financial position as at March 31, 2017, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Seniors and Housing as at March 31, 2017, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

May 31, 2017

Edmonton, Alberta

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2017
(in thousands)

	2017 Budget	2017 Actual	2016 Actual (Restated - Note 6)
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants (Note 4)	$ 79,430	$ 133,777	$ 82,587
Investment Income	2,200	2,666	1,907
Other Revenue	9,515	70,604	64,411
	91,145	207,047	148,905
Expenses - Directly Incurred (Note 2(b), Schedules 2 and 3)			
Programs			
Ministry Support Services	9,238	9,021	8,374
Seniors Services	35,586	32,906	34,216
Alberta Seniors Benefit	357,287	357,083	348,446
Housing	12,204	10,950	9,545
Alberta Social Housing Corporation	229,565	320,745	212,840
	643,880	730,705	613,421
Debt Servicing			
Alberta Social Housing Corporation	6,107	6,106	8,268
	649,987	736,811	621,689
Annual Deficit	$ (558,842)	$ (529,764)	$ (472,784)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2017
(in thousands)

	2017	2016 (Restated - Note 6)
Financial Assets		
Cash and Cash Equivalents (Note 7)	$ 286,749	$ 156,087
Accounts Receivable (Note 8)	170,500	185,428
Loans and Advances (Note 9)	55,137	44,204
	512,386	385,719
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	145,996	161,022
Debt (Note 11)	58,797	75,634
Deferred Revenue (Note 12)	21,396	18
Unspent Deferred Capital Contributions (Note 12)	187,270	72,091
	413,459	308,765
Net Financial Assets	98,927	76,954
Non-Financial Assets		
Tangible Capital Assets (Note 14)	898,952	713,014
	898,952	713,014
Net Assets	997,879	789,968
Net Assets at Beginning of Year	789,968	672,929
Adjustments to Net Assets (Note 17)	(658)	(1,312)
Annual Deficit	(529,764)	(472,784)
Net Financing Provided from General Revenues	738,333	591,135
Net Assets at End of Year	$ 997,879	$ 789,968

Contingent Liabilities and Contractual Obligations (Notes 13 and 14)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2017
(in thousands)

	2017 Budget	2017 Actual	2016 Actual (Restated - Note 6)
Annual Deficit	$ (558,842)	$ (529,764)	$ (472,784)
Acquisition of Tangible Capital Assets	(258,974)	(141,059)	(74,055)
Amortization of Tangible Capital Assets (Note 14)	37,566	36,716	33,184
Gain on Disposal of Tangible Capital Assets	(900)	(239)	(1,104)
Proceeds on Sale of Tangible Capital Assets		5,147	441
Grants in Kind (Note 2[(b)])	343	1,112	(13,158)
Capital Contributions in Kind		(88,273)	(110)
Net Financing Provided from General Revenues		738,333	591,135
Increase in Net Financial Assets		$ 21,973	$ 63,549
Net Financial Assets, Beginning of Year		76,954	13,405
Net Financial Assets, End of Year		$ 98,927	$ 76,954

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2017
(in thousands)

	2017	2016 (Restated - Note 6)
Operating Transactions		
Annual Deficit	$ (529,764)	$ (472,784)
Non-cash items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 14)	36,716	33,184
Deferred Capital Contribution recognized as Revenue (Note 12)	(40,748)	(7,969)
Grants in Kind (Note 2(b))	1,112	(13,158)
Capital Contributions in Kind	(88,273)	(110)
Gain on Disposal of Tangible Capital Assets	(239)	(1,104)
	(621,196)	(461,941)
(Increase) Decrease in Accounts Receivable	14,928	(54,616)
Decrease in Inventories for Resale	-	1,903
Decrease in Accounts Payable and Accrued Liabilities	(15,026)	(27,775)
Increase in Deferred Revenue	21,378	-
Cash Applied to Operating Transactions	(599,916)	(542,429)
Capital Transactions		
Acquisition of Tangible Capital Assets	(141,059)	(74,055)
Proceeds on Sale of Tangible Capital Assets	5,147	441
Cash Applied to Capital Transactions	(135,912)	(73,614)
Investing Transactions		
Loans and Advances Made	(12,980)	(9,573)
Repayment of Loans and Advances	2,047	1,387
Cash Applied to Investing Transactions	(10,933)	(8,186)
Financing Transactions		
Debt Retirement	(19,588)	(34,415)
Debt Issues	2,751	-
Contributions Restricted for Capital (Note 12)	155,927	20,070
Net Financing Provided from General Revenues	738,333	591,135
Cash Provided by Financing Transactions	877,423	576,790
Increase (Decrease) in Cash and Cash Equivalents	130,662	(57,666)
Cash and Cash Equivalents at Beginning of Year	156,087	213,753
Cash and Cash Equivalents at End of Year	$ 286,749	$ 156,087

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF SENIORS AND HOUSING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Seniors and Housing operates under the authority of the *Government Organization Act* and its regulations and has been designated responsibilities for various Acts. The minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also disclosed in Note 2(a).

The ministry promotes the well-being and quality of life of Alberta seniors and those in need of affordable housing. It develops and delivers programs and services that assist seniors and promote safety and well-being for Alberta's aging population. The ministry fosters the development of affordable housing and supports access to housing options for Albertans most in need. To achieve these outcomes, the ministry works with seniors, Albertans who require housing supports and others in the network of support: families and caregivers, communities, housing providers and other government partners.

Key Activities:

- Provide individual and community-based programs and services that support seniors to live and fully participate in their chosen communities.
- Support increased awareness of elder abuse and local community models that address and prevent elder abuse.
- Upgrade fire and safety systems in government-owned and supported seniors' supportive living accommodations to meet provincial building code standards.
- Explore approaches to effectively respond to current and future needs of the diverse population of seniors who reside in the province.
- Work with housing providers and stakeholders to advance the actions of the Provincial Affordable Housing Strategy.
- Work with housing providers and stakeholders to implement updated regulations under the *Alberta Housing Act*.
- Continue to invest in the regeneration and renewal of existing supply and the building of new supply of affordable housing options through collaboration with other levels of government and housing
- Develop and implement an affordable housing program to provide affordable housing options for off-reserve Indigenous populations in the province.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity and Method of Consolidation

The reporting entity is the ministry for which the Minister of Seniors and Housing is accountable. The accounts of the department of Seniors and Housing (*Government Organization Act*) are fully consolidated with the Alberta Social Housing Corporation (*Alberta Housing Act*).

The accounts of government sector entities, except those designated as government business enterprises, are consolidated using the line-by-line method. Under this method, accounting policies of the consolidated entities are adjusted to conform to government accounting policies and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

Government transfers

Transfers from all governments are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recognized as deferred capital contributions or deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the ministry's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the ministry complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the ministry meets the eligibility criteria.

Donations and Non-Government Grants

Donations and non-government grants are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government grants may be unrestricted or externally restricted for operating or capital purposes. Unrestricted donations and non-government grants are recognized as revenue in the year received or in the year the funds are committed and the amounts can be reasonably estimated. Externally restricted donations, non-government grants, and realized gains and losses for the associated externally restricted investment income are recognized as deferred revenue if the terms for their use, or the terms along with the ministry's actions and communications as to the use, create a liability. These resources are recognized as the terms are met and, when applicable, the ministry complies with its communicated use.

Grants and Donations for Land

The ministry recognizes transfers and donations for the purchase of land as a liability when received, and as revenue when the ministry purchases the land. The ministry recognizes in-kind contributions of land as revenue at the fair value of the land. When the ministry cannot determine the fair value, it records such in-kind contributions at a nominal value.

Expenses

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for. In addition to program operating expenses such as salaries, supplies etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- debt servicing costs;
- pension costs which comprise the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses (Cont'd)

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by other related entities in support of the ministry's operations are not recognized and are allocated to programs to show the full cost in Schedule 3.

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, accounts payable and acrued labilities are estimated to approximate their carrying values because of the short-term nature of these instruments. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability. The fair value of debentures and notes payable is disclosed in Note 9.

Financial Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the ministry's financial claims on external organizations and individuals, and inventories for resale at the year end.

Cash and Cash Equivalents
Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts Receivable
Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans and Advances
Loans and advances are recognized at cost less any discounts and allowance for credit loss.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Liabilities
Liabilities represent present obligations of the ministry to external organizations and individuals arising from transactions or events occurring before the year end. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:
- all financial claims payable by the ministry at the year end;
- accrued employee vacation entitlements; and
- contingent liabilities where future liabilities are likely.

Debt
Notes, debentures, and mortgages are recognized at their face amount less unamortized discount, which includes issue expenses.

Non-Financial Assets

Non-financial assets of the ministry are limited to tangible capital assets.

Tangible Capital Assets
Tangible capital assets of the ministry are recognized at historical cost and amortized on a straight-line basis over the estimated useful life of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recognized as grants in kind. Unrealized gains and losses on transfers to controlled entities are eliminated on consolidation.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivables recognized and disclosed as $15,067 (2016 - $19,872) in these financial statements, is subject to measurement uncertainty. This balance is based on budgeted figures which may not reflect actual audited amounts.

NOTE 3 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 2200 Related Party Diclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
PS3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 4 FEDERAL AGREEMENTS

(in thousands)

Canada-Alberta Social Housing Agreement

On June 30, 2016, Canada Mortgage and Housing Corporation (CMHC) and Alberta Social Housing Corporation (the Corporation) signed a new Social Housing Agreement (SHA). Effective April 1, 2016, the SHA replaced 17 cost-share agreements that had various conditions and expiry dates. The new SHA allows the Corporation greater flexibility to adapt its housing programs to the needs of Albertans as the Corporation has full ownership and control over social housing properties and programs that were previously jointly administered with CMHC. Over the term of the agreement, CMHC will provide annual funding to the Corporation on a declining basis up until 2033-34, which will support the operation of existing social housing units and residential rental accommodation programs. As part of the signing of the new SHA, the Corporation received CMHC's proportionate share of jointly owned properties with the Corporation. Revenues totalling $75,711 will be recognized over the estimated remaining useful lives of the assets. $24,491 was recognized in 2016-17. Also, the Corporation received one-time funding of $37,452 from CMHC to support future year housing programs and initiatives. The unspent portion is shown in deferred contributions.

Investment in Affordable Housing Agreement

On April 1, 2011, CMHC and the Government of Alberta signed the Investment in Affordable Housing (IAH) Agreement providing joint funding for affordable housing initiatives from 2011-2014 of up to $121,000. In May 2014, an extension of the IAH Agreement was signed extending the agreement to 2019 providing additional joint funding up to $202,000. During 2016, CMHC and the Corporation signed an amendment to the agreement, as part of the federal government's Social Infrastructure Fund, which will provide additional funding covering the two year period of 2016-17 and 2017-18 of up to $85,000 in joint funding initiatives and up to $52,000 in CMHC funding for specified housing programs.

NOTE 5 PROVINCIAL DISASTER RECOVERY

(a) 2013 ALBERTA FLOODING

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the ministry was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The ministry also provided direct support to Housing Management Bodies whose residents were displaced and buildings were impacted by the flood. In addition, the ministry was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations.

The costs incurred by the ministry in response to the wildfires and flood have been fully offset by the Government of Alberta through the ministries of Municipal Affairs, Indigenous Relations and Seniors and Housing which will reflect the costs. Neither the costs incurred by the ministry during the year or the reimbursement are reflected in these financial statements.The amount incurred related to the wildfires total $395 (2016: nil). The amounts incurred related to the wildfires total $47,478 (2016: 75,164). Funds due to or payable from the ministry reflecting wildfires and flood related amounts are included in these statements. These amounts are disclosed in Notes 6 and 8, respectively.

(b) 2016 NORTHERN ALBERTA WILDFIRES

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The Government of Alberta is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the *Disaster Recovery Regulation* .

The Province, subject to certain criteria, may recover part of the above costs from the Government of Canada through the Disaster Financial Assistance Arrangement Program, pending approval through Order in Council.

NOTE 6 PROGRAM TRANSFER

(in thousands)

Effective April 1, 2016, responsibility for the administration of Affordable Supportive Living Initiative (ASLI) was transferred from the Ministry of Seniors and Housing to the Ministry of Health.

Comparatives for 2016 have been restated as if the Ministry of Seniors and Housing had always been assigned with its current responsibilities.

Net assets on April 1, 2016 is made up as follows:

Net assets at April 1, 2015	$ 779,741
Transfer to Ministry of Health	49,639
Adjustment to net financing provided from General Revenue	(39,412)
Net assets at April 1, 2016	$ 789,968

NOTE 7 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents include deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality, short term securities with a maximum term to maturity of three years. As at March 31, 2017, securities held by the fund have a time-weighted return of 0.9% per annum (2016 – 0.8% per annum). Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

NOTE 8 ACCOUNTS RECEIVABLE

(in thousands)

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Canada Mortgage and Housing Corporation	$ 126,198	$ -	$ 126,198	$ 139,271
Ministry of Indigenous Relations [1]	14,936	-	14,936	13,361
Ministry of Municipal Affairs [1] [2]	4,572	-	4,572	2,877
Housing Providers	15,067	-	15,067	19,872
Alberta Risk Management Fund [1]	6,472	-	6,472	6,778
Other	5,785	(2,530)	3,255	3,269
	$ 173,030	$ (2,530)	$ 170,500	$ 185,428

(1) Costs incurred by the ministry in response to the June 2013 Southern Alberta flood, have been fully offset through the ministries of Municipal Affairs, Indigenous Relations, Housing Providers and the Alberta Risk Management Fund. Flood related funds due to the ministry totalling $20,231 (2016 - $17,003) is comprised of $14,936 (2016 - $13,361) from the Ministry of Indigenous Relations, $4,177 (2016 - $2,877) from the Ministry of Municipal Affairs and $1,118 (2016 - $765) from the Alberta Risk Management Fund.

(2) Costs incurred by the ministry in response to the May 2016 Northern Alberta Wildfires, have been fully offset through the Ministry of Municipal Affairs. Wildfire related funds due to the ministry total $395.

Accounts Receivable are unsecured and non-interest bearing.

NOTE 9 LOANS AND ADVANCES

(in thousands)

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Capital Development Projects[1]	$ 7,258	$ -	$ 7,258	$ 6,534
Housing Providers' Reserves[2]	5,127	-	5,127	5,127
Rent Supplement[3]	14,327	-	14,327	14,327
2013 Southern Alberta Flood[4]	828	-	828	1,878
Seniors Property Tax Receivable[5]	17,035	-	17,035	12,440
Seniors Home Repair Loans Receivable[6]	6,872	-	6,872	-
Accrued Interest Receivable[7]	920	-	920	516
Other Loans and Advances	2,770	-	2,770	3,382
	$ 55,137	$ -	$ 55,137	$ 44,204

(1) Several Housing Management Bodies were provided with an advance to support the cash flow requirements of approved capital development projects.

(2) Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.

(3) Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.

(4) Several Housing Management Bodies and organizations were provided with cash advances as a result of the Southern Alberta Flooding incident to help manage flood disaster relief and rebuild as well as address cash flow needs.

(5) Effective April 1, 2013, the Seniors Property Tax Deferral Program (SPTDP) allows eligible senior homeowners to defer all or part of their residential property taxes through a low-interest home equity loan with the Ministry of Seniors and Housing. To qualify for the SPTDP, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, own a residential property in Alberta, and have a minimum of 25 percent equity in their primary residence.

(6) Effective July 1, 2016, the Seniors Home Adaptation and Repair Program (SHARP) provides low-interest home equity loans to help seniors finance necessary repairs, adaptations and renovations to their homes. A maximum loan of $40,000 is available to seniors and senior couples with an annual total income of $75,000 or less and who have a minimum of 25 percent home equity in their primary residence. To be eligible for the loan, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, and an owner of a residential property registered in a land titles office.

(7) Interest on the loans will start on the date that SPTDP pays the residential property taxes to the municipality on behalf of the senior, or the date SHARP deposits the loan into the senior's bank account. The interest rate is variable and is set every six months on April 1st and October 1st charging simple interest rather than compound interest. Loan statements are issued twice a year in April and October to recipients with outstanding loans.

NOTE 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2017	2016 (Restated - Note 6)
Accounts payable	$ 7,113	$ 23,639
Accrued liabilities - Grants	87,115	114,668
Accrued liabilities - Capital	31,948	1,428
Other accrued liabilities	19,820	21,287
	$ 145,996	$ 161,022

NOTE 11 DEBT

(in thousands)

The ministry's long term debt and exposure to interest rate risk are summarized as follows:

	2017	2016
Canada Mortgage and Housing Corporation (CMHC)		
Fixed debentures[1]	$ 56,046	$ 59,128
Mortgages[2]	2,751	-
Ministry of Treasury Board and Finance[3]	-	16,506
	$ 58,797	$ 75,634

(1) Fixed debentures maturing January 2023 to January 2030, with a weighted average effective rate of 9.695%.

(2) Mortgages maturing January 2018 to January 2024, with a weighted average effective rate of 7.507%. Mortgages were assumed by Alberta Social Housing Corporation with the capital assets transfer from CMHC as a result of signing the new Social Housing Agreement.

(3) Notes payable matured September 16, 2016, with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings. The debentures, including interest thereon, are repayable in equal annual or semi-annual installments and the note payable is repayable in equal semi-annual installments.

Approximate aggregate repayments of principal in each of the next five years and thereafter are:

Principal Repayments	Total
2017-18	$ 3,882
2018-19	4,221
2019-20	4,590
2020-21	4,939
2021-22	5,196
Thereafter	35,969
	$ 58,797

Long-term debt has a fair value of $96,087 (2016 – $89,689) for CMHC debentures, $4,717 (2016 – nil) for CMHC mortgages and nil (2016 - $16,909) for the note payable to Ministry of Treasury Board and Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates which are available to the ministry for debt with similar terms and maturities.

NOTE 12 DEFERRED CONTRIBUTIONS

(in thousands)

	2017	2016
Unspent deferred capital contribution and transfers (a)[1]	$ 187,270	$ 72,091
Spent deferred capital contributions and transfers (b)	-	-
Deferred revenue (c)	21,396	18
	$ 208,666	$ 72,109

(a) Unspent deferred capital contribution and transfers

	2017	2016
Balance, beginning of year	$ 72,091	$ 59,990
Received/receivable during year	155,927	20,070
Transferred to spent deferral capital contributions and transfers	(40,748)	(7,969)
Balance, end of year	$ 187,270	$ 72,091

(b) Spent deferred capital contributions and transfers

	2017	2016
Balance, beginning of year	$ -	$ -
Transferred from unspent deferred capital contributions and transfers	40,748	7,969
Less amounts recognized as revenue	(40,748)	(7,969)
Balance, end of year	$ -	$ -

(c) Deferred revenue

	2017	2016
Balance, beginning of year	$ 18	$ 18
Cash contributions received/receivable during year	22,848	48
Less amounts recognized as revenue	(1,470)	(48)
Balance, end of year	$ 21,396	$ 18

[1] Federal funding has been committed to improving and preserving the quality of affordable housing under the Canada-Alberta Agreement for Investment in Affordable Housing with Canada Mortgage and Housing Corporation (CMHC). Deferred capital contributions have been recognized as revenue when the stipulations of the government transfers are met.

NOTE 13 BENEFIT PLANS

(in thousands)

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan (MEPP) and Public Service Pension Plan (PSPP) and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,311 for the year ended March 31, 2017 (2016: $3,174).

NOTE 13 BENEFIT PLANS (Cont'd)

(in thousands)

At December 31, 2016, MEPP reported a surplus of $402,033 (2015: surplus $299,051) and the PSPP reported a surplus of $302,975 (2015: deficiency $133,188).

At December 31, 2016, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $50,020 (2015: deficiency $16,305).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2017, the Bargaining Unit Plan reported an actuarial surplus of $ 101,515 (2016: $83,006) and the Management, Opted Out and Excluded Plan reported an actuarial surplus of $ 31,439 (2016: $29,246). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 14 TANGIBLE CAPITAL ASSETS

(in thousands)

	2017				
	Land	Buildings & Leasehold Improve-ments [1]	Equipment & Other[2]	Computer Hardware and Software	Total
Estimated useful life	Indefinite	10-50 years	10 years	3-5 years	
Historical Cost[3]					
Beginning of year	$ 155,042	$ 1,278,192	$ 14,951	$ 3,789	$ 1,451,974
Additions[4]	25,083	205,119	979	531	231,712
Disposals, including write-downs	(24)	(60)	(9,700)		(9,784)
	$ 180,101	$ 1,483,251	$ 6,230	$ 4,320	$ 1,673,902
Accumulated Amortization					
Beginning of year	-	732,660	4,984	1,316	738,960
Transfers	-	1,763	-	-	1,763
Amortization expense	-	34,637	936	1,143	36,716
Effect of disposals	-	(60)	(2,429)	-	(2,489)
	-	769,000	3,491	2,459	774,950
Net book value at March 31, 2017	$ 180,101	$ 714,251	$ 2,739	$ 1,861	$ 898,952
Net book value at March 31, 2016	$ 155,042	$ 545,532	$ 9,967	$ 2,473	$ 713,014

[1] Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

[2] Other tangible capital assets include manufactured housing units and trailers.

[3] Historical cost includes work-in-progress at March 31, 2017 totalling $189,888 comprised of: land $558 (2016 - $558); buildings $188,799 (2016 - $81,281); and other $531 (2016 - $4,181).

[4] Land and building additions includes capital contributions in kind totalling $88,273. This is primarily for receiving the full ownership of various land and buildings as a result of signing the new Social Housing Agreement with Canada Mortgage and Housing Corporation.

NOTE 15 CONTINGENT LIABILITIES

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

At March 31, 2017, the ministry was named in six (2016: five) claims of which the outcome is not determinable. Of these claims, five (2016: five) have specified amounts totaling $4,179 (2016: $2,925). The remaining one claim has no amounts specified. Included in total claims, seven claims totalling $1,568 (2016: three - $725) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of the indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 16 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2017	2016
Obligations under operating leases, contracts and programs	$ 243,352	$ 179,578
Obligations under capital contracts and grants	147,926	168,929
	$ 391,278	$ 348,507

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations under operating leases, contracts and programs	Total
2017-18	$ 33,704
2018-19	30,647
2019-20	27,225
2020-21	26,609
2021-22	25,300
Thereafter	99,867
	$ 243,352

Obligations under capital contracts and grants	Total
2017-18	$ 99,075
2018-19	28,937
2019-20	14,327
2020-21	3,697
2021-22	1,890
	$ 147,926

NOTE 17 ADJUSTMENTS TO NET ASSETS

(in thousands)

The reconciliation of adjustments to net assets is as follows:

	2017	2016
Transfer of manufacturing housing units to:		
Ministry of Agriculture and Forestry	$ (280)	$ -
Ministry of Environment and Parks	(996)	(1,083)
Ministry of Education	-	(229)
Transfer of land from Ministry of Infrastructure	618	-
	$ (658)	$ (1,312)

NOTE 18 COMPARATIVE FIGURES

Certain 2016 figures have been reclassified to conform to the 2017 presentation.

NOTE 19 APPROVAL OF FINANCIAL STATEMENTS

The deputy minister and senior financial officer approved these consolidated financial statements.

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED REVENUES
Year ended March 31, 2017
(in thousands)

Schedule 1

	2017	2016
Federal and Other Government Grants		
Canada Mortgage and Housing Corporation Social Housing Agreement & Investment in Affordable Housing (Note 4)	$ 133,777	$ 82,587
Investment Income	2,666	1,907
Other Revenue		
Recoveries from Housing Providers	8,202	13,997
Rental Revenue	980	680
Refunds of Expenditure	24,092	45,168
Contribution from Housing Providers and Third Parties (Note 4)	37,053	110
Gain on Disposal of Tangible Capital Assets	275	1,801
Miscellaneous	2	2,655
Total Revenues	$ 207,047	$ 148,905

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED EXPENSES - DIRECTLY INCURRED
DETAILED BY OBJECT
Year ended March 31, 2017
(in thousands)

Schedule 2

	2017	2016 (Restated - Note 6)
Salaries, Wages and Employee Benefits	$ 28,328	$ 25,913
Supplies and Services	15,422	17,748
Grants	649,049	535,665
Debt Servicing Costs	6,106	8,268
Amortization of Tangible Capital Assets	36,716	33,184
Other	1,190	910
	$ 736,811	$ 621,688

MINISTRY OF SENIORS AND HOUSING
CONSOLIDATED ALLOCATED COSTS
Year ended March 31, 2017
(in thousands)

Schedule 3

Program	Expenses - Incurred by Others				2017	2016
	Expenses[1]	Accommodation Costs[2]	Business Services[3]	Legal Services[4]	Total Expenses	Total Expenses (Restated - Note 6)
Ministry Support Services	$ 9,021	$ 937	14	$ 316	$ 10,288	$ 9,451
Seniors Services	32,906	700	51	55	33,712	34,925
Alberta Seniors Benefit	357,083	858	549	-	358,490	349,838
Housing	10,950	140	520	2	11,612	10,099
Alberta Social Housing Corporation	326,851	1,259	-	-	328,110	222,262
	$ 736,811	$ 3,894	$ 1,134	$ 373	$ 742,212	$ 626,575

[1] Expenses – Directly Incurred as per Consolidated Statement of Operations.

[2] Accommodation Costs, including grants in lieu of taxes, allocated by number of employees.

[3] Business Services Costs, including charges for information technology support, vehicles and other services, allocated by costs in certain programs.

[4] Legal Services Costs, allocated by estimated costs incurred by each program.

MINISTRY OF SENIORS AND HOUSING
RELATED PARTY TRANSACTIONS
Year ended March 31, 2017
(in thousands)

Schedule 4

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's consolidated financial statements. Related parties also include key management personnel in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Other Entities	
	2017	2016
Revenues		
Rental Revenue	-	34
	$ -	$ 34
Expenses - Directly Incurred		
Capital Grants	6,831	-
Other Services	1,652	1,487
Insurance	5,279	5,201
Interest	453	2,342
Grants	152	-
	$ 14,367	$ 9,030
Tangible Capital Assets Transferred In [1]	$ 618	$ -
Tangible Capital Assets Transferred (Out) [2]	$ (1,276)	$ (1,312)
Receivable from [3]	$ 26,124	$ 23,019
Payable to [4]	$ 2,654	$ 975
Debt to related parties	$ -	$ 16,546

MINISTRY OF SENIORS AND HOUSING
RELATED PARTY TRANSACTIONS
Year ended March 31, 2017
(in thousands)

Schedule 4
(Cont'd)

(1) This amount is for the transfer of land to the ministry from other government departments/entities.

(2) This amount is for the transfer of housing units from the ministry to other government departments/entities.

(3) Flood related funds due to the ministry totalling $20,231 (2016 - $17,003) is comprised of $14,936 (2016 - $13,361) from the Ministry of Indigenous Relations, $4,177 (2016 - $2,877) from the Ministry of Municipal Affairs and $1,118 (2016 - $765) from the Alberta Risk Management Fund.

Wildfire related funds due to the ministry from the Ministry of Municipal Affairs total $395.

Amounts totalling $5,498 (2016: $6,013) due to the ministry from the Alberta Risk Management Fund are for property insurance claims while the remaining $1,118 (2016 - $765) are flood related funds.

(4) Amount primarily represents principal repayments and interest on debt.

The ministry also had transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not reported in the consolidated financial statements and are disclosed in Schedule 3.

Department of Seniors and Housing

Financial Statements

March 31, 2017

Independent Auditor's Report
Statement of Operations
Statement of Financial Position
Statement of Change in Net Debt
Statement of Cash Flows
Notes to the Financial Statements
Schedule 1 - Revenues
Schedule 2 - Expenses - Directly Incurred Detailed by Object
Schedule 3 - Lapse/Encumbrance
Schedule 4 - Salary and Benefits Disclosure
Schedule 5 - Related Party Transactions
Schedule 6 - Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Seniors and Housing

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Seniors and Housing, which comprise the statement of financial position as at March 31, 2017, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Seniors and Housing as at March 31, 2017, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

May 31, 2017

Edmonton, Alberta

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF OPERATIONS
Year ended March 31, 2017

	2017		2016
	Budget	Actual	Actual (Restated - Note 3)
	(in thousands)		
Revenues (Schedule 1)			
Investment Income	$ 800	$ 501	$ 322
Other Revenue	380	9,837	22,445
	1,180	10,338	22,767
Expenses - Directly Incurred (Note 2(a), Schedules 2, 3, 5 and 6)			
Programs			
Ministry Support Services	9,238	9,021	8,374
Seniors Services	35,586	32,906	34,216
Alberta Seniors Benefit	357,287	357,083	348,446
Housing	324,995	324,241	176,633
	727,106	723,251	567,669
Annual Deficit	$ (725,926)	(712,913)	$ (544,902)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF FINANCIAL POSITION
As at March 31, 2017

	2017	2016 (Restated - Note 3)
	(in thousands)	
Financial Assets		
Accounts Receivable (Note 4)	$ 574	$ 48,327
Loans and Advances (Note 5)	24,827	12,956
	25,401	61,283
Liabilities		
Accounts Payable and Accrued Liabilities	70,555	131,861
Net Debt	(45,154)	(70,578)
Non-Financial Assets		
Tangible Capital Assets (Note 6)	2	6
Net Liabilities	$ (45,152)	$ (70,572)
Net Liabilities at Beginning of Year	$ (70,572)	$ (116,805)
Annual Deficit	(712,913)	(544,902)
Net Financing Provided from General Revenues	738,333	591,135
Net Liabilities at End of Year	$ (45,152)	$ (70,572)

Contractual Obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF CHANGE IN NET DEBT
Year ended March 31, 2017

	2017		2016
	Budget	Actual	Actual (Restated - Note 3)
	(in thousands)		
Annual Deficit	$ (725,926)	$ (712,913)	$ (544,902)
Amortization of Tangible Capital Assets (Note 6)	227	4	4
Net Financing Provided from General Revenue		738,333	591,135
Decrease in Net Debt		$ 25,424	$ 46,237
Net Debt at Beginning of Year		(70,578)	(116,815)
Net Debt at End of Year		$ (45,154)	$ (70,578)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF CASH FLOWS
Year ended March 31, 2017

	2017	2016 (Restated - Note 3)
	(in thousands)	
Operating Transactions		
Annual Deficit	$ (712,913)	$ (544,902)
Non-cash items included in Net Operating Results		
Amortization	4	4
	4	4
Contributions Restricted for Operating		
Decrease in Accounts Receivable	47,753	36
Decrease in Accounts Payable and Accrued Liabilities	(61,305)	(41,851)
Cash Applied to Operating Transactions	(726,461)	(586,713)
Investing Transactions		
Loans and Advances Made	(13,919)	(5,809)
Repayment of Loans and Advances	2,047	1,387
Cash Applied to Investing Transactions	(11,872)	(4,422)
Financing Transactions		
Net Financing Provided from General Revenues	738,333	591,135
Cash Provided by Financing Transactions	738,333	591,135
Decrease in Cash	-	-
Cash at Beginning of Year	-	-
Cash at End of Year	$ -	$ -

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2017

NOTE 1 AUTHORITY AND PURPOSE

The Department of Seniors and Housing operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The department promotes the well-being and quality of life of Alberta seniors and those in need of affordable housing. It develops and delivers programs and services that assist seniors and promote safety and well-being for Alberta's aging population. The department fosters the development of affordable housing and supports access to housing options for Albertans most in need. To achieve these outcomes, the department works with seniors, Albertans who require housing supports and others in the network of support: families and caregivers, communities, housing providers and other government partners.

Key Activities:

- Provide individual and community-based programs and services that support seniors to live and fully participate in their chosen communities.
- Support increased awareness of elder abuse and local community models that address and prevent elder abuse.
- Upgrade fire and safety systems in government-owned and supported seniors' supportive living accommodations to meet provincial building code standards.
- Explore approaches to effectively respond to current and future needs of the diverse population of seniors who reside in the province.
- Work with housing providers and stakeholders to advance the actions of the Provincial Affordable Housing Strategy.
- Work with housing providers and stakeholders to implement updated regulations under the *Alberta Housing Act*.
- Continue to invest in the regeneration and renewal of existing supply and the building of new supply of affordable housing options through collaboration with other levels of government and housing providers.
- Develop and implement an affordable housing program to provide affordable housing options for off-reserve Indigenous populations in the province.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recognized as unearned revenue.

Government transfers

Transfers from the Government of Alberta (GoA), federal and other governments are referred to as government transfers.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(a) Basis of Financial Reporting (cont'd)

Government transfers are recognized as deferred capital contributions and deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues, as the stipulations are met and, when applicable, the department complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recognized as revenue when the transfer is authorized and the department meets the eligibility criteria (if any).

Expenses

Directly Incurred

Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized and eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other related entities in support of the department's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans

Loans are recognized at cost, less any discounts and allowance for credit loss.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;

(b) may be consumed in the normal course of operations; and

(c) are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the department are recognized at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recognized at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in kind.

Assets acquired by right are not included.

(b) Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

• PS 2200 Related Party Disclosure and PS 3420 Inter-Entity Transactions (effective April 1, 2017)

PS 2200 defines a related party and establishes disclosures required for related party transactions. PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

• PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)

PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000 and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; and PS 3380 defines and establishes disclosure standards on contractual rights.

• PS 3430 Restructuring Transactions (effective April 1, 2018)

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 PROGRAM TRANSFER

(in thousands)

Effective April 1, 2016, responsibility for the administration of the Affordable Supportive Living Initiative (ASLI) was transferred from the Department of Seniors and Housing to the Department of Health.

Comparatives for 2016 have been restated as if the Department of Seniors and Housing had always been assigned with its current responsibilities.

Net liabilities on March 31, 2016 are made up as follows:

Net liabilities at April 1, 2015	$ (80,799)
Transfer to Department of Health	49,639
Adjustment to net financing provided from General Revenue	(39,412)
Net Liabilities at March 31, 2016	$ (70,572)

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada [1]	$ -	$ -	$ -	$ 48,005
Other	2,053	(1,479)	574	322
	$ 2,053	$ (1,479)	$ 574	$ 48,327

[1] Canada Mortgage and Housing Corporation (CMHC) paid the remaining $48 million to the Department of Seniors and Housing due to an amended Investment in Affordable Housing Agreement (IAH).

NOTE 5 LOANS AND ADVANCES

Effective April 1, 2013, the Seniors Property Tax Deferral Program (SPTDP) allows eligible senior homeowners to defer all or part of their residential property taxes through a low-interest home equity loan with the Department of Seniors and Housing. To qualify for the SPTDP, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, own a residential property in Alberta, and have a minimum of 25 percent equity in their primary residence.

Effective July 1, 2016, The Seniors Home Adaptation and Repair Program (SHARP) provides low-interest home equity loans to help seniors finance necessary repairs, adaptations and renovations to their homes. A maximum loan of $40,000 is available to seniors and senior couples with an annual total income of $75,000 or less and who have a minimum of 25 percent home equity in their primary residence. To be eligible for the loan, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, and an owner of a residential property registered in a land titles office.

Interest on the loans will start on the date that SPTDP pays the residential property taxes to the municipality on behalf of the senior, or the date SHARP deposits the loan into the senior's bank account. The interest rate is variable and is set every six months on April 1st and October 1st charging simple interest rather than compound interest. Loan statements are issued twice a year in April and October to recipients with outstanding loans.

The loans are secured by registering a caveat on the certificate of title in a Land Titles Office.

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
	(in thousands)			
Receivables:				
Seniors Property Tax Deferral	$ 17,035	$ -	$ 17,035	$ 12,440
Seniors Home Adaptation and Repair	6,872	-	6,872	-
Accrued Interest	920	-	920	516
	$ 24,827	$ -	$ 24,827	$ 12,956

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	2017			
	Equipment[1]	Computer Hardware/ Software	Leasehold Improve-ment	Total
Estimated useful life	10 years	5 years	10 years	
Historical Cost				
Beginning of Year	$ 99	$ 74	$ 71	$ 244
Disposals, including Write-downs	-	-	-	-
	$ 99	$ 74	$ 71	$ 244
Accumulated Amortization				
Beginning of Year	93	74	71	238
Amortization Expense	4	-	-	4
Effect of Disposals	-	-	-	-
	97	74	71	242
Net book value at March 31, 2017	$ 2	$ -	$ -	$ 2
Net book value at March 31, 2016	$ 6	$ -	$ -	$ 6

[1] Equipment includes office and other equipment.

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2017	2016 (Restated - Note 3)
Obligations under Contracts and Programs	$ 8,999	$ 5,250

Estimated payment requirements for each of the next three years are as follows:

Obligations Under Contracts and Programs	Total
2017-18	$ 5,246
2018-19	3,422
2019-20	331
	$ 8,999

NOTE 8 BENEFIT PLANS

(in thousands)

The department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,311 for the year ended March 31, 2017 (2016 – $3,174). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2016, the Management Employees Pension Plan reported a surplus of $402,033 (2015 – surplus $299,051), the Public Service Pension Plan reported a surplus of $302,975 (2015 – deficiency $133,188) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $50,020 (2015 – deficiency $16,305).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2017, the Bargaining Unit Plan reported a surplus of $101,515 (2016 - surplus $83,006) and the Management, Opted Out and Excluded Plan a surplus of $31,439 (2016 - surplus $29,246). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 9 COMPARATIVE FIGURES

Certain 2016 figures have been reclassified to conform to the 2017 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The deputy minister and the senior financial officer approve these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2017

Schedule 1

	2017		2016
	Budget	Actual	Actual
	(in thousands)		
Investment Income	$ 800	$ 501	$ 322
Other Revenue			
Prior Year Expenditure Refunds	380	9,837	22,445
Total Revenues	$ 1,180	$ 10,338	$ 22,767

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2017

Schedule 2

	2017		2016
	Budget	Actual	Actual (Restated - Note 3)
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 30,885	$ 28,328	$ 25,913
Supplies and Services	7,140	6,837	6,775
Grants	688,656	688,178	534,762
Amortization of Tangible Capital Assets	227	4	4
Other	198	(96)	215
	$ 727,106	$ 723,251	$ 567,669

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2017

Schedule 3

		Voted Estimate [1]	Supplementary Estimate [2]	Adjusted Voted Estimate	Voted Actuals [3]	Unexpended (Over Expended)
		(in thousands)				
Program - Operating Expense						
1	**Ministry Support Services**					
1.1	Minister's Office	$ 663	$ -	$ 663	$ 654	$ 9
1.2	Deputy Minister's Office	744	-	744	732	12
1.3	Strategic Corporate Services	6,872	-	6,872	6,840	32
1.4	Communications	788	-	788	777	11
		9,067	-	9,067	9,003	64
2	**Seniors Services**					
2.1	Program Planning and Delivery	7,552	-	7,552	5,679	1,873
2.2	Special Needs Assistance Grants	22,440	-	22,440	24,739	(2,299)
2.3	Seniors Home Adaptation and Repair	2,000	-	2,000	350	1,650
2.4	Seniors Community Grants	2,607	-	2,607	1,701	906
2.5	Seniors Advocate	987	-	987	424	563
		35,586	-	35,586	32,893	2,693
3	**Alberta Seniors Benefit**					
3.1	Program Delivery	8,369	-	8,369	9,094	(725)
3.2	Alberta Seniors Benefit Grants	270,218	-	270,218	270,922	(704)
3.3	Supplementary Accommodations Benefit	78,600	-	78,600	77,172	1,428
		357,187	-	357,187	357,188	(1)
4	**Housing**					
4.1	Program Planning and Delivery	12,110	-	12,110	11,033	1,077
4.2	Assistance to Alberta Social Housing Corporation	312,791	500	313,291	313,291	-
		324,901	500	325,401	324,324	1,077
	Total	$ 726,741	$ 500	$ 727,241	$ 723,408	$ 3,833
	Lapse/(Encumbrance)					$ 3,833

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2017

Schedule 3
(Cont'd)

		Voted Estimate [1]	Supplementary Estimate [2]	Adjusted Voted Estimate	Voted Actuals [3]	Unexpended (Over Expended)
			(in thousands)			
Financial Transactions						
2	**Seniors Services**					
2.3	Seniors Home Adaptation and Repair	$ 7,000	2,000	$ 9,000	7,109	1,891
2.6	Property Tax Deferral	$ 5,850	$ 700	$ 6,550	$ 6,309	$ 241
	Total	$ 12,850	$ 2,700	$ 15,550	$ 13,418	$ 2,132
	Lapse/(Encumbrance)					$ 2,132

[1] As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transaction Vote by Program" page of 2016-17 *Government Estimates*.

[2] Per the Supplementary Supply Estimates approved by Treasury Board January 12, 2017, an increase of $2,000 for the Seniors Home Adaptation and Repair Loan program and $700 in the Seniors Property Tax Deferral loan program. In addition, $500 from Environment and Parks for the Climate Leadership Plan Green Infrastructure initiative related to the Facility Energy Audit.

[3] Actuals exclude non-voted amounts such as amortization and valuation adjustments.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year ended March 31, 2017

Schedule 4

	2017				2016
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Deputy Minister	$ 293,846	$ -	$ 70,792	$ 364,638	$ 362,088
Executive Committee					
Assistant Deputy Minister, Strategic Services	200,405	-	50,862	251,267	252,966
Assistant Deputy Minister, Seniors Services	182,501	-	46,705	229,206	230,065
Assistant Deputy Minister, Housing [4]	168,730	-	42,222	210,952	251,361
Executive Director, Human Resources	154,506	-	40,448	194,954	195,995
Director, Communications [5]	68,039	-	19,149	87,188	149,129

[1] Base salary includes regular salary and earnings such as acting pay.

[2] Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2017.

[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

[4] The positon was occupied by two individuals at different times during the year.

[5] The positon was vacant for 6 months.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS **Schedule 5**
RELATED PARTY TRANSACTIONS
Year ended March 31, 2017
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the GoA's financial statements. Related parties also include key management personnel in the department.

The department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties reported on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2017	2016	2017	2016
Expenses - Directly Incurred				
Grants	$ 313,231	$ 167,088	$ 152	$ -
Other Services	-	-	1,680	1,485
	$ 313,231	$ 167,088	$ 1,832	$ 1,485
Receivables From/ (Payable To)	$ 60	$ -	$ (50)	$ 54

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2017
(in thousands)

Schedule 6

Program	2017					2016
		Expenses - Incurred by Others				
	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Business Services[4]	Total Expenses	Total Expenses (Restated - Note 3)
Ministry Support Services	$ 9,021	$ 937	$ 316	$ 14	$ 10,288	$ 9,453
Seniors Services	32,906	700	55	$ 52	33,713	34,931
Alberta Seniors Benefit	357,083	858	-	$ 560	358,501	349,899
Housing	324,241	140	2	$ 508	324,891	177,118
	$ 723,251	$ 2,635	$ 373	$ 1,134	$ 727,393	$ 571,401

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] Accommodation Costs, including grants in lieu of taxes, allocated by number of employees.

[3] Legal Services Costs allocated by estimate costs incurred by each program.

[4] Business Services Costs, including charges for IT support, vehicles and other services, allocated by costs in certain programs.

Alberta Social Housing Corporation

Financial Statements

March 31, 2017

Independent Auditor's Report
Statement of Operations
Statement of Financial Position
Statement of Change in Net Financial Assets
Statement of Cash Flows
Notes to the Financial Statements
Schedule 1 - Revenues
Schedule 2 - Expenses - Directly Incurred Detailed by Object
Schedule 3 - Budget
Schedule 4 - Capital Investment
Schedule 5 - Related Party Transactions
Schedule 6 - Allocated Costs
Supplementary Information to Financial Statements (Unaudited)

Independent Auditor's Report

To the Minister of Seniors and Housing

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Social Housing Corporation, which comprise the statement of financial position as at March 31, 2017, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Social Housing Corporation as at March 31, 2017, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

May 31, 2017

Edmonton, Alberta

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF OPERATIONS
Year ended March 31, 2017

	2017		2016
	Budget	Actual	Actual
	(Schedule 3)	*(in thousands)*	
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 312,791	$ 313,291	$ 167,088
Federal Government Grants (Note 3)	79,430	133,777	82,587
Investment Income	1,400	2,164	1,585
Other	9,135	60,767	41,966
	402,756	509,999	293,226
Expenses - Directly Incurred (Note 2(b), Schedules 2 and 6)			
Programs			
Family Community Housing	61,368	82,218	49,678
Seniors Community Housing	94,357	147,722	88,070
Special Needs Housing	5,802	20,202	5,435
Rental Assistance	66,600	66,579	64,167
Emergency Housing (Note 4)	1,438	4,024	5,489
Interest on Debt for Social Housing	6,107	6,106	8,268
	235,672	326,851	221,107
Annual Surplus	$ 167,084	$ 183,148	$ 72,119

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at March 31, 2017

	2017	2016
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 5)	$ 286,749	$ 156,087
Accounts Receivable (Note 6)	169,986	137,100
Loans and Advances (Note 7)	30,310	31,248
	487,045	324,435
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	75,499	29,159
Deferred Revenue (Note 9)	21,396	18
Unspent Deferred Capital Contributions (Note 9)	187,270	72,091
Debentures and Notes Payable (Note 10)	58,797	75,634
	342,962	176,902
Net Financial Assets	144,083	147,533
Non-Financial Assets		
Tangible Capital Assets (Note 11)	898,948	713,008
Net Assets	$ 1,043,031	$ 860,541
Net Assets at Beginning of Year	$ 860,541	$ 789,734
Adjustments to Net Assets (Note 14) (Schedule 5)	(658)	(1,312)
Annual Surplus	183,148	72,119
Net Assets at End of Year	$ 1,043,031	$ 860,541

Contingent Liabilities and Contractual Obligations (Notes 12 and 13)

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2017

	2017		2016
	Budget	Actual	Actual
	(Schedule 3)	*(in thousands)*	
Annual Surplus	$ 167,084	$ 183,148	$ 72,119
Acquisition of Tangible Capital Assets	(258,974)	(141,059)	(74,055)
Sale of Tangible Capital Assets		5,149	441
Amortization of Tangible Capital Assets (Note 11) (Schedule 2)	37,339	36,712	33,181
Gain on Disposal of Tangible Capital Asse	(1,200)	(275)	(1,801)
Loss on Disposal of Tangible Capital Asse	300	36	696
Grants in Kind (Note 2b)		1,112	(13,158)
Capital Contributions in Kind		(88,273)	(110)
Increase in Net Financial Assets		$ (3,450)	$ 17,313
Net Financial Assets at Beginning of Year		147,533	130,220
Net Financial Assets at End of Year		$ 144,083	$ 147,533

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF CASH FLOWS
Year ended March 31, 2017

	2017	2016
	(in thousands)	
Operating Transactions		
Annual Surplus	$ 183,148	$ 72,119
Non-cash items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 11)	36,712	33,181
Deferred Contributions recognized as Revenue (Note 9)	(40,748)	(7,969)
Grants in Kind (Note 2b)	1,112	(13,158)
Capital Contributions in Kind	(88,273)	(110)
Gain on Disposal of Tangible Capital Assets	(275)	(1,801)
Loss on Disposal of Tangible Capital Assets	36	696
	91,712	82,958
(Increase) in Accounts Receivable	(32,886)	(54,652)
(Increase) Decrease in Loans and Advances	938	(3,764)
Decrease in Inventories for Resale	-	1,903
Increase in Accounts Payable and Accrued Liabilities	46,340	3,850
Increase in Deferred Revenue	21,378	-
Cash Provided by Operating Transactions	127,482	30,295
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 4)	(141,059)	(74,055)
Sale of Tangible Capital Assets	5,149	441
Cash Applied to Capital Transactions	(135,910)	(73,614)
Financing Transactions		
Repayment of Debentures and Notes Payable	(16,837)	(34,415)
Contributions Restricted for Capital (Note 9)	155,927	20,070
Cash Provided by (Applied to) Financing Transactions	139,090	(14,345)
Increase (Decrease) in Cash and Cash Equivalents	130,662	(57,664)
Cash and Cash Equivalents at Beginning of Year	156,087	213,751
Cash and Cash Equivalents at End of Year	$ 286,749	$ 156,087

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

NOTE 1 AUTHORITY AND PURPOSE

The Alberta Social Housing Corporation (the Corporation) operates under the authority of the *Alberta Housing Act*, Chapter A-25, Revised Statutes of Alberta 2000. The Act is administered by the Department of Seniors and Housing.

The Corporation's primary purpose is to facilitate the provision of affordable housing options through community based housing organizations to low-income seniors, families, individuals and those with special needs. The Corporation owns and administers the Crown's portfolio of housing assets and manages provincial debts and agreements associated with those assets. This includes administering the sale of provincially owned properties that are no longer efficient or effective for social housing programs. The Corporation also oversees the provincial commitments and entitlements remaining from discontinued business activities such as mortgages and loan guarantees.

The Corporation is a crown agent of the Government of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Corporation, which is part of the Ministry of Seniors and Housing and for which the Minister of Seniors and Housing is accountable. The other entity reporting to the minister is the Department of Seniors and Housing. The activities of the department are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting.

Government Transfers
Transfers from the Government of Alberta (GoA) and federal government are referred to as government transfers.

Government transfers are recognized as deferred capital contributions and deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues, as the stipulations are met and, when applicable, the Corporation complies with its communicated uses of these transfers.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses

Directly Incurred
Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as supplies and services, directly incurred expenses also include:
- amortization of tangible capital assets,
- debt servicing costs, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Grant Expense
Grants are recognized as expenses when authorized, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by related other entities in support of the Corporation's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability. The fair value of long term debt is disclosed in Note 10.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the Corporation are limited to financial claims, such as advances to and receivables from other organizations and individuals.

Accounts Receivable
Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Financial Assets (Cont'd)

Loans and advances
Loans and advances are recognized at cost less provisions for estimated losses. Cost includes amounts advanced, accrued interest and other charges, less repayments and subsidies. Loans and advances include mortgages and advances to housing providers to address short term cash flow needs for specified projects and operating pressures.

Liabilities

Liabilities are present obligations to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets of the Corporation are limited to tangible capital assets.

Tangible Capital Assets
Tangible capital assets of the Corporation are recognized at historical cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete and the asset is put into service.

The cost of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10-50 Years
Computer Hardware and Software	3 Years
Other	10 Years

Amortization is only charged once the tangible capital asset is put into service.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recognized at their fair value at the time of contribution.

When physical assets (tangible capital assets) are sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in kind.

There were no assets acquired by rights for the Corporation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivable recognized and disclosed as $15,067 (2016 - $19,872) in these financial statements, is subject to measurement uncertainty. This balance is based on budgeted figures which may not reflect actual audited amounts.

Financial Instruments

Financial instruments consist of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances, Accounts Payable and Accrued Liabilities, and Debentures and Notes Payable. They are initially recognized at cost and subsequently carried at amortized cost. Write-downs on financial assets are recognized when the amount of a loss is known with sufficient precision, and there is no reasonable expectation of recovery. The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

Risk Management

The Corporation has minimal exposure to credit risk, liquidity risk and interest rate risk due to the nature of its operations. The primary creditors of the Corporation are the Government of Alberta and the federal government. Both governments provide operational support to the Corporation, thus reducing exposure to credit risk. Liquidity risk is minimized given the cash and cash equivalents balance within the Corporation and the annual operational funding provided by the Department of Seniors and Housing for debt repayment. As interest rates on Debentures and Notes Payable are fixed, the Corporation is not exposed to interest rate fluctuation risk because the future cash flows of the debt will not fluctuate with future market interest rate changes.

(c) Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions. PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Future Accounting Changes (Cont'd)

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000 and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; and PS 3380 defines and establishes disclosure standards on contractual rights.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 FEDERAL AGREEMENTS

(in thousands)

Canada-Alberta Social Housing Agreement

On June 30, 2016, Canada Mortgage and Housing Corporation (CMHC) and the Corporation signed a new Social Housing Agreement (SHA). Effective April 1, 2016, the SHA replaced 17 cost-share agreements that had various conditions and expiry dates. The new SHA allows the Corporation greater flexibility to adapt its housing programs to the needs of Albertans as the Corporation has full ownership and control over social housing properties and programs that were previously jointly administered with CMHC. Over the term of the agreement, CMHC will provide annual funding to the Corporation on a declining basis up until 2033-34, which will support the operation of existing social housing units and residential rental accommodation programs. As part of the signing of the new SHA, the Corporation received CMHC's proportionate share of jointly owned properties with the Corporation. Revenues totalling $75,711 will be recognized over the estimated remaining useful lives of the assets. $24,491 was recognized in 2016-17. Also, the Corporation received one-time funding of $37,452 from CMHC to support future year housing programs and initiatives. The unexpended portion is shown in deferred contributions.

Investment in Affordable Housing Agreement

On April 1, 2011, CMHC and the Government of Alberta signed the Investment in Affordable Housing Agreement providing joint funding for affordable housing initiatives from 2011-2014 of up to $121,000. In May 2014, an extension of the Investment in Affordable Housing Agreement was signed extending the agreement to 2019 providing additional joint funding up to $202,000. During 2016-17, CMHC and the Corporation signed an amendment to the agreement, as part of the federal government's Social Infrastructure Fund, which will provide additional funding covering the two year period of 2016-17 to 2017-18 of up to $85,000 in joint funding initiatives and up to $52,000 in CMHC funding for specified housing programs.

NOTE 4 PROVINCIAL DISASTERS RECOVERY

(in thousands)

(a) 2016 Northern Alberta Wildfires

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. During 2016-17, the Corporation supported several Housing Management Bodies in providing emergency and interim housing primarily for Albertans displaced by the wildfires.

The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

(b) 2013 Southern Alberta Flooding

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the Corporation was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The Corporation also provided direct support to Housing Management Bodies whose residents were displaced and buildings were impacted by the flood. In addition, the Corporation was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations.

Costs Incurred

The costs incurred by the Corporation in response to the wildfires and flood have been fully offset by the Government of Alberta through the departments of Municipal Affairs and Indigenous Relations and the Department of Seniors and Housing which will reflect the costs. Neither the costs incurred by the Corporation during the year or the reimbursement are reflected in these financial statements. The amount incurred related to the wildfires total $395 (2016 - nil). The amounts incurred related to the flood total $47,478 (2016 - $75,164). Funds due to or payable from the Corporation reflecting wildfires and flood related amounts are included in these statements.

NOTE 5 CASH AND CASH EQUIVALENTS

Cash includes deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short term securities with a maximum term to maturity of three years. As at March 31, 2017, securities held by the fund have a time-weighted return of 0.9% per annum (2016: 0.8% per annum). Due to the short term nature of CCITF investments, the carrying value approximates fair value.

NOTE 6 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Indigenous Relations[a]	$ 14,936	$ -	$ 14,936	$ 13,361
Alberta Municipal Affairs[a][b]	4,572	-	4,572	2,877
Alberta Risk Management Fund[a]	6,616	-	6,616	6,778
Canada Mortgage and Housing Corporation	126,197	-	126,197	91,265
Housing Providers	15,067	-	15,067	19,872
Other	3,649	(1,051)	2,598	2,947
	$ 171,037	$ (1,051)	$ 169,986	$ 137,100

(a) Costs incurred by the Corporation in response to the June 2013 Southern Alberta flood, have been fully offset through the departments of Seniors and Housing, Municipal Affairs and Indigenous Relations as well as Alberta Risk Management Fund. Flood related funds due to the Corporation totalling $20,231 (2016 - $17,003) is comprised of $14,936 (2016 - $13,361) from the Department of Indigenous Relations, $4,177 (2016 - $2,877) from the Department of Municipal Affairs and $1,118 (2016 - $765) from the Alberta Risk Management Fund.

(b) Costs incurred by the Corporation in response to the May 2016 Northern Alberta Wildfires, have been fully offset through the Department of Municipal Affairs. Wildfire related funds due to the Corporation total $395.

NOTE 7 LOANS AND ADVANCES

(in thousands)

	2017			2016
	Gross Amount	Allowance for Losses	Net Realizable Value	Net Realizable Value
Capital Development Projects [(a)]	$ 7,258	$ -	$ 7,258	$ 6,534
Housing Providers' Reserves [(b)]	5,127	-	5,127	5,127
Rent Supplement [(c)]	14,327	-	14,327	14,327
Southern Alberta Flooding [(d)]	828	-	828	1,878
Other Loans and Advances	2,770	-	2,770	3,382
	$ 30,310	$ -	$ 30,310	$ 31,248

(a) Several Housing Management Bodies were provided with an advance to support the cash flow requirements of approved capital development projects.

(b) Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.

(c) Housing Management Bodies are provided an advance for approximately two months of anticipatec annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.

(d) Several Housing Management Bodies and organizations were provided with cash advances as a result of the Southern Alberta Flooding incident to help manage flood disaster relief and rebuild as well as address cash flow needs.

NOTE 8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2017	2016
Accounts Payable	$ 5,926	$ 4,160
Accrued Liabilities - Supplies & Services	163	619
Accrued Liabilities - Grants	26,659	12,050
Accrued Liabilities - Capital	31,948	1,428
Hold Back Liabilities	7,098	7,016
Other Accrued Liabilities [(a)]	3,705	3,886
	$ 75,499	$ 29,159

(a) Other Accrued Liabilities is comprised primarily of $3,492 (2016 - $3,825) for amounts potentially owing to Alberta Risk Management Fund and Housing Management Bodies for open insurance claims.

NOTE 9 DEFERRED CONTRIBUTIONS

(in thousands)

	2017	2016
Unspent Deferred Capital Contributions and Transfers (i) [(a)]	$ 187,270	$ 72,091
Spent Deferred Capital Contributions and Transfers (ii)	-	-
Deferred Revenue (iii)	21,396	18
	$ 208,666	$ 72,109

(i) Unspent Deferred Capital Contribution and Transfers [(a)]

	2017	2016
Balance at Beginning of year	$ 72,091	$ 59,990
Cash Contributions Received/Receivable During Year	155,927	20,070
Transferred to Spent Deferred Capital Contributions and Transfers	(40,748)	(7,969)
Balance at End of Year	$ 187,270	$ 72,091

(ii) Spent Deferred Capital Contributions and Transfers

	2017	2016
Balance at Beginning of year	$ -	$ -
Transferred from Unspent Deferred Capital Contribution and Transfers	40,748	7,969
Less Amounts Recognized as Revenue	(40,748)	(7,969)
Balance at End of Year	$ -	$ -

(iii) Deferred Revenue

	2017	2016
Balance at Beginning of year	$ 18	$ 18
Cash Contributions Received/Receivable During Year	22,848	48
Less Amounts Recognized as Revenue	(1,470)	(48)
Balance at End of Year	$ 21,396	$ 18

(a) Federal funding has been committed to improving and preserving the quality of Affordable Housing under the Canada-Alberta Agreement for Investment in Affordable Housing with Canada Mortgage and Housing Corporation (CMHC). Deferred capital contributions are recognized as revenue when the stipulations of the government transfers are met.

NOTE 10 DEBENTURES AND NOTES PAYABLE

(in thousands)

The Corporation's long term debt and exposure to interest rate risk are summarized as follows:

	2017	2016
Canada Mortgage and Housing Corporation (CMHC)		
Fixed debentures[a]	$ 56,046	$ 59,128
Mortgages[b]	2,751	-
Alberta Treasury Board and Finance [c]	-	16,506
	$ 58,797	$ 75,634

(a) Fixed debentures maturing January 2023 to January 2030, with a weighted average effective rate of 9.695%.

(b) Mortgages maturing January 2018 to January 2024, with a weighted average effective rate of 7.507%. Mortgages were assumed by the Corporation with the capital assets transfer from CMHC as a result of signing the new Social Housing Agreement.

(c) Note payable matured September 16, 2016, with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings. The debentures, including interest thereon, are repayable in equal annual or semi-annual instalments and the note payable is repayable in equal semi-annual instalments.

Approximate aggregate repayments of principal in each of the next five years are:

2018	3,882
2019	4,221
2020	4,590
2021	4,939
2022	5,196
Thereafter	35,969
	$ 58,797

Long term debt has a fair value of $96,087 (2016 - $89,689) for CMHC debentures, $4,717 (2016 - nil) for CMHC mortgages and nil (2016 - $16,909) for the note payable to Alberta Treasury Board and Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates which are available to the Corporation for debt with similar terms and maturities.

NOTE 11 TANGIBLE CAPITAL ASSETS

(in thousands)

	Land	Buildings[a]	Computer Hardware/ Software	Other[b]	2017 Total	2016 Total
Estimated Useful Life	Indefinite	10-50 years	3 years	10 years		
Historical Cost[c]						
Beginning of Year	$ 155,042	$ 1,278,121	$ 3,715	$ 14,852	$ 1,451,730	$ 1,366,882
Additions[d]	25,083	205,119	531	978	231,711	88,729
Disposals, Including Write-downs	(24)	(60)	-	(9,700)	(9,784)	(3,881)
	$ 180,101	$ 1,483,180	$ 4,246	$ 6,130	$ 1,673,657	$ 1,451,730
Accumulated Amortization						
Beginning of Year	-	732,589	1,242	4,892	738,723	707,368
Transfers	-	1,763	-	-	1,763	-
Amortization Expense	-	34,637	1,143	932	36,712	33,181
Effect of Disposals	-	(60)	-	(2,429)	(2,489)	(1,826)
	-	768,929	2,385	3,395	774,709	738,723
Net Book Value at March 31, 2017	$ 180,101	$ 714,251	$ 1,861	$ 2,735	$ 898,948	
Net Book Value at March 31, 2016	$ 155,042	$ 545,532	$ 2,473	$ 9,960		$ 713,008

(a) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

(b) Other tangible capital assets include manufactured housing units and trailers.

(c) Historical cost includes work-in-progress at March 31, 2017 totalling $189,888 comprised of: land $558 (2016 - $558); buildings $188,799 (2016 - $81,281); computer hardware and software $531 (2016 - $0); and other $0 (2016 - $4,181).

(d) Land and building additions include capital contributions in kind totalling $88,273. This is primarily a result of signing the new Social Housing Agreement.

NOTE 12 CONTINGENT LIABILITIES

(in thousands)

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Corporation has been named in six (2016: five) claims of which the outcome is not determinable. Of these claims, five (2016: five) have specified amounts totalling $4,179 (2016: $2,925). The remaining one (2016: zero) claim has no amounts specified. Included in the total claims, seven claims totalling $1,568 (2016: three claims totalling $725) are covered in whole or in part by the Alberta Risk Management Fund.

The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 13 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for housing providers approved for future years have been included as a program obligation.

	2017	2016
Obligations under Operating Leases, Contracts and Programs[a]	$ 234,353	$ 174,328
Obligations under Capital Contracts and Grants	147,926	168,929
	$ 382,279	$ 343,257

(a) Obligations for Southern Alberta Flooding contracts are excluded as they have been set up as accrued liabilities in the ministries of Municipal Affairs and Indigenous Relations.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Operating Contracts/ Programs[b]	Operating Leases[c]	Total
2017-18	$ 27,111	$ 1,347	$ 28,458
2018-19	25,878	1,347	27,225
2019-20	25,547	1,347	26,894
2020-21	25,262	1,347	26,609
2021-22	23,953	1,347	25,300
Thereafter	75,958	23,909	99,867
	$ 203,709	$ 30,644	$ 234,353

(b) Grants committed for future years under agreement with Housing Providers that would fund operating supports and amortization costs.

(c) The Corporation leases land under various leases for the purpose of providing social housing.

Obligations Under Capital Contracts and Grants[d]

	Capital Contracts	Capital Grants	Total
2017-18	$ 61,656	$ 37,419	$ 99,075
2018-19	6,003	22,934	28,937
2019-20	3,785	10,542	14,327
2020-21	-	3,697	3,697
2021-22	-	1,890	1,890
Thereafter	-	-	-
	$ 71,444	$ 76,482	$ 147,926

(d) These capital contracts are made up of the Corporation's development projects and capital asset maintenance and amounts committed to housing providers for capital grants.

NOTE 14 ADJUSTMENTS TO NET ASSETS

(in thousands)

The reconciliation of adjustments to net assets is as follows:

	2017	2016
Transfer of manufactured housing units to:		
Alberta Agriculture and Forestry	$ (280)	$ -
Alberta Environment and Parks	(996)	(1,083)
Alberta Education	-	(229)
Transfer of land from Alberta Infrastructure	618	-
	$ (658)	$ (1,312)

NOTE 15 SALARIES AND BENEFITS

The Corporation has no salaries or benefits to disclose due to the Corporation having no employees as per 25(2) of the *Alberta Housing Act*. The Department of Seniors and Housing staff administers the Corporation, and the estimated value of these services is included in Schedules 6 as an expense incurred by others.

The Corporation did not pay honoraria to its board members.

NOTE 16 COMPARATIVE FIGURES

Certain 2016 figures have been reclassified to conform to the 2017 presentation.

NOTE 17 APPROVAL OF FINANCIAL STATEMENTS

The senior financial officer and president of the Alberta Social Housing Corporation approve these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2017

Schedule 1

	2017		2016
	Budget (Schedule 3)	Actual *(in thousands)*	Actual
Government Transfers			
Government of Alberta Grants			
Transfers from the Department of Seniors and Housing	$ 312,791	$ 313,291	$ 167,088
Federal Government Grants (Note 3)			
Canada Mortgage and Housing Corporation			
Social Housing Agreement	79,430	95,513	74,618
Investment in Affordable Housing	-	38,264	7,969
	79,430	133,777	82,587
Investment Income	1,400	2,164	1,585
Other Revenue			
Gains from Disposal of Tangible Capital Assets	1,200	275	1,801
Recoveries from Housing Providers	7,855	8,202	13,997
Rental Revenues	80	980	680
Contribution from Housing Providers and Third Parties (Note 3)	-	37,053	110
Refunds of Expenditures	-	14,255	22,723
Miscellaneous	-	2	2,655
	9,135	60,767	41,966
Total Revenues	$ 402,756	$ 509,999	$ 293,226

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2017

	2017		2016
	Budget	Actual	Actual
	(Schedule 3)	*(in thousands)*	
Supplies and Services	$ 7,535	$ 8,585	$ 10,972
Operating Grants	154,720	168,632	148,798
Capital Grants	29,971	105,531	19,192
Debt Servicing Costs	6,107	6,333	8,268
Amortization of Tangible Capital Assets	37,339	36,712	33,181
Other	-	1,058	696
	$ 235,672	$ 326,851	$ 221,107

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 3**
SCHEDULE TO FINANCIAL STATEMENTS
BUDGET
Year ended March 31, 2017

	2016-17 Original Budget[a]	Adjust-ments [b]	2016-17 Budget	Supple-mentary Estimate[c]	2016-17 Authorized Budget
			(in thousands)		
Revenues					
Government Transfers					
Government of Alberta Grants	$ 312,791	$ -	$ 312,791	$ 500	$ 313,291
Federal Government Grants	79,430	21,600	101,030	-	101,030
Investment Income	1,400	-	1,400	-	1,400
Other	9,135	11,700	20,835	-	20,835
	402,756	33,300	436,056	500	436,556
Expenses - Directly Incurred					
Programs					
Family Community Housing	61,368	25,519	86,887	300	87,187
Seniors Community Housing	94,357	53,081	147,438	200	147,638
Special Needs Housing	5,802	10,200	16,002	-	16,002
Rental Assistance	66,600	-	66,600	-	66,600
Emergency Housing	1,438	343	1,781	-	1,781
Interest on Debt for Social Hous	6,107	-	6,107	-	6,107
	235,672	89,143	324,815	500	325,315
Annual Surplus	$ 167,084	$ (55,843)	$ 111,241	$ -	$ 111,241
Capital Investment	$ 258,974	$ (117,818)	$ 141,156	$ -	$ 141,156

[a] As per 2016-17 *Government Estimates*.

[b] As per Treasury Board approved Fiscal Updates during 2016-17.

[c] Per the *Supplementary Supply Estimates* approved on March 30, 2017.

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 4**
SCHEDULE TO FINANCIAL STATEMENTS
CAPITAL INVESTMENT
Year ended March 31, 2017

	2017 Budget (Schedule 3)	2017 Actual (in thousands)	2016 Actual
Capital Investment by Program			
Family Community Housing	$ 62,491	$ 14,220	$ 9,195
Seniors Community Housing	196,483	125,861	60,670
Emergency Housing	-	978	4,190
Total	$ 258,974	$ 141,059	$ 74,055

	2017 Budget (Schedule 3)	2017 Actual (in thousands)	2016 Actual
Capital Investment by Envelope			
Capital Maintenance & Renewal			
Seniors Facilities and Housing	$ 38,672	$ 38,263	$ 22,841
Family, Social Supports & Housing			
Sustainable Housing Renewal	173,377	95,633	47,033
New Housing Supply - Affordable Housing	33,925	1,000	-
New Housing Supply - Specialized Populatic	13,000	2,150	-
Other	-	4,013	4,181
Total	$ 258,974	$ 141,059	$ 74,055

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 5**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2017
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Department of Seniors and Housing.

The Corporation had the following transactions with related parties reported on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2017	2016	2017	2016
Revenues				
Government of Alberta Transfers				
Transfers from the Department of Seniors and Housing	$ 313,291	$ 167,088	$ -	$ -
Rental Revenues	-	-	-	34
	$ 313,291	$ 167,088	$ -	$ 34
Expenses - Directly Incurred				
Capital Grants	$ -	$ -	$ 6,831	$ -
Debt Servicing Costs	-	-	453	2,342
Insurance Premiums	-	-	5,251	5,201
Other Services	60	-	-	-
Technology Services	-	-	-	2
	$ 60	$ -	$ 12,535	$ 7,545
Tangible Capital Assets Transferred In (Out)				
Alberta Agriculture and Forestry[1]	$ -	$ -	$ (280)	$ -
Alberta Environment and Parks[1]	-	-	(996)	(1,083)
Alberta Education[1]	-	-	-	(229)
Alberta Infrastructure[2]	-	-	618	-
	$ -	$ -	$ (658)	$ (1,312)
Receivable from				
Alberta Indigenous Relations[3]	$ -	$ -	$ 14,936	$ 13,361
Alberta Municipal Affairs[3][4]	-	-	4,572	2,877
Alberta Risk Management Fund[3][5]	-	-	6,616	6,778
Alberta Treasury Board and Finance	-	-	-	3
	$ -	$ -	$ 26,124	$ 23,019
Payable to				
Alberta Infrastructure	$ -	$ -	$ -	$ 245
Alberta Risk Management Fund	-	-	680	676
Alberta Treasury Board and Finance[6]	-	-	1,924	16,546
Department of Seniors and Housing	60	-	-	-
	$ 60	$ -	$ 2,604	$ 17,467

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 5 (Cont'd)**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2017
(in thousands)

(1) This amount is for the transfer of housing units from the Corporation to other government departments/entities.

(2) This amount is for the transfer of land to the Corporation from other government departments/entities.

(3) Flood related funds due to the Corporation totalling $20,231 (2016 - $17,003) is comprised of $14,936 (2016 - $13,361) from the Ministry of Indigenous Relations, $4,177 (2016 - $2,877) from the Ministry of Municipal Affairs, and $1,118 (2016 - $765) from the Alberta Risk Management Fund.

(4) Wildfire related funds due to the Corporation from the Ministry of Municipal Affairs totalling $395.

(5) $5,498 (2016: $6,013) of amounts due to the Corporation from the Alberta Risk Management Fund are for property insurance claims while the remaining $1,118 (2016 - $765) are flood related funds.

(6) Amount primarily represents principal repayments and interest on debt.

The Corporation also had transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not reported in the financial statements. There were no revenues from transactions with related parties for which no consideration was exchanged. Expenses are disclosed and included in Schedule 6.

ALBERTA SOCIAL HOUSING CORPORATION **Schedule 6**

SCHEDULE TO FINANCIAL STATEMENTS

ALLOCATED COSTS

Year ended March 31, 2017

(in thousands)

	2017						2016
	Expenses - Directly Incurred[1]		Expenses - Incurred by others				
Program	Expenses	Interest on Debt for Social Housing	Other Services[2]	Accommo-dation Costs[3]	Legal Services[4]	Total Expenses	Total Expenses
Family Community Housing	$ 82,218	$ 4,412	$ 2,730	$ 358	$ -	$ 89,718	$ 57,052
Seniors Community Housing	147,722	1,694	6,436	843	-	156,695	98,465
Special Needs Housing	20,202	-	407	53	-	20,662	5,862
Rental Assistance	66,579	-	39	5	-	66,623	64,207
Emergency Housing	4,024	-	-	-	-	4,024	5,489
	$ 320,745	$ 6,106	$ 9,612	$ 1,259	$ -	$ 337,722	$ 231,075

[1] Expenses - Directly Incurred as per Statement of Operations.

[2] Other Services includes salaries and wages, and supplies and services.

[3] Accommodation Costs allocated by the number of Department of Seniors and Housing staff that administers the Corporation.

[4] Legal Services Costs allocated by estimated costs incurred by each program.

ALBERTA SOCIAL HOUSING CORPORATION
SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS (Unaudited)
March 31, 2017
(in thousands)

The following unaudited supplementary information is intended to provide additional information to financial readers regarding the provision of seniors' self-contained and community housing programs through housing providers. The Corporation establishes budgets for each provider.

Grants are provided to cover operating support for various housing programs and are recorded as expenses. Recoveries are received from housing providers who operate with surpluses and are recorded as revenues. Costs for property insurance, amortization and interest on long term debt are incurred and recorded directly in the financial statements of the Corporation.

The housing providers' fiscal year is January to December. Their applicable annual budgets are approved by the President of the Corporation. The total budgeted rental revenues and operating expenses for housing providers for their 2015 and 2016 fiscal year is as follows:

	2016	2015
Revenues	$ 136,789	$ 135,298
Expenses		
Operating and Administratio	$ 74,697	$ 70,186
Taxes and Land Leases	1,408	1,362
Repairs and Maintenance	40,535	40,215
Utilities	49,040	47,306
	165,680	159,069
Annual Deficit	$ (28,891)	$ (23,771)

Annual Report Extracts and Other Statutory Reports

Section 32(1) of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act* requires that a report must be prepared annually on all disclosures under the Act for each department, public entity or office of the Legislature.

The Public Interest Disclosure Office provided the following report to the Deputy Minister of Seniors and Housing on April 11, 2017.

Summary of Public Interest Disclosure Activities for the Ministry of Seniors and Housing for the Period April 1, 2016 to March 31, 2017	
Number of disclosures of wrongdoing	0
Number of disclosures acted on	0
Number of disclosures not acted on	0
Number of investigations	0